

April 9, 2018

The Honorable Louis W. Blessing, III
Chair, House Government Accountability and Oversight Committee
51 State House
Columbus, OH 43215

RE: NATIONAL COMMUNITY PHARMACISTS ASSOCIATION SUPPORT OF HOUSE BILL 479

Dear Representative Blessing,

I am writing to you today on behalf of the National Community Pharmacists Association in support of HB 479. This bill would help to ensure drug pricing information is disclosed to patients and that patients pay the lowest possible price at the pharmacy counter.

NCPA represents the interest of America's community pharmacists, including the owners of more than 22,000 independent community pharmacies across the United States and 538 independent community pharmacies in Ohio. These Ohio pharmacies filled over 32 million prescriptions last year, impacting the lives of thousands of patients in your state.

Prohibiting Restrictions on Pharmacists' Communication with Patients

Often community pharmacists are forced to sign take-it-or-leave-it contracts from pharmacy benefits managers with multiple contract provisions or requirements embedded in lengthy provider manuals that include overly broad confidentiality requirements and non-disparagement clauses, as well as requirements that pharmacies charge insured patients what the PBM says at point of sale. This has the effect of chilling a range of pharmacist communications with patients and others for fear of retaliation by the PBM. While they dislike these provisions and the negative impact they have on communicating with patients, independent pharmacists do not have the leverage or market power to negotiate these clauses out of PBM contracts, so they sign the contracts anyway in order to continue filling prescriptions and providing care for patients whose pharmacy benefits are managed by the PBM.

Violation of any of these provisions or others may lead the PBM to terminate the contract with the pharmacy and remove the pharmacy from the PBM's networks, resulting in the inability of the pharmacy to continue to serve a significant percentage of its customers and potentially causing access problems for patients.

NCPA supports HB 479 because it will protect pharmacy patients by preventing PBMs from prohibiting a pharmacist or pharmacy from, or penalizing them for, providing information to their patients regarding the options that patient has in paying for prescription medications.

Preventing Patient Cost-Share Inflation

Under almost all health care plans, patients are responsible for a certain level of cost sharing for their prescription medications. The patient assumes they are paying a portion of the cost and their insurance company is paying the remainder. Unfortunately, this is not always the case. Some PBMs charge a patient a copay or cost-share at the point-of-sale that is higher than the price the PBM negotiated with the pharmacy for the medication, and the PBM – *not* the pharmacy – keeps the difference for itself.

NCPA supports HB 479 because it will protect pharmacy patients by preventing PBMs from inflating patient cost-shares and pocketing the difference.

If you have any questions about the information contained in this letter or wish to discuss the issue in greater detail, please do not hesitate to contact me at alliejo.shipman@ncpanet.org or (703) 600-1179.

Sincerely,

A handwritten signature in cursive script that reads "Allie Jo Shipman".

Allie Jo Shipman, PharmD
Associate Director, State Government Affairs

cc: Members of the House Government Accountability and Oversight Committee