



Testimony offered on behalf of:
EPIC PHARMACIES, INC.

IN SUPPORT OF:

**HB 1470 – Medical Assistance Programs – Drug Dispensing - Cost-of-Dispensing Survey
and Fee-for Service Professional Dispensing Fee**

Health Government Operations Committee

Hearing 3/5/26 at 1:00 PM

EPIC Pharmacies, Inc. **SUPPORTS HB 1470** – Medical Assistance Programs – Drug Dispensing - Cost-of-Dispensing Survey and Fee-for-Service Professional Dispensing Fee

In 2018, as required by the CMS, Medicaid changed their formula for reimbursing outpatient prescription drugs to an accurate determination of the actual acquisition cost of that medication (National Average Drug Acquisition Cost (NADAC)) plus a dispensing fee that represented the actual costs (both fixed and variable) associated with dispensing that prescription.

Since this process started in 2016, the department of health has analyzed pharmacy dispensing fees twice, initially, and then in 2018. The 2018 cost of dispensing survey's results were put into effect in 2021, when dispensing fees went from \$10.49 per claim to \$10.67 per claim.

Since 2018, pharmacy fixed and variable costs have increased dramatically in every metric, including the cost of inventory, packaging, rents, paper goods, pharmacy supplies, fuel, energy costs, vehicle costs, and wages and professional salaries. The minimum wage went from \$10.10 in 2018 to \$15.00 per hour in 2026.

Pharmacy expenses and costs skyrocketed during the Covid 19 Pandemic from 2020 through 2023, and unlike other businesses, because of the state of pharmacy reimbursements, pharmacies did not (and still currently do not) have the ability to alter their prices because of increased input costs.

This bill mandates a reasonable time period for periodic evaluation of the dispensing fee metric, and a reasonable time for that dispensing fee survey to take effect.

This bill does not affect MCO claims, only the smaller subset of claims that are reimbursed under the Fee-for-Service division of Medicaid.

EPIC Pharmacies thanks the sponsor, Delegate Cullison for introducing this bill and respectfully requests the Committee's **FAVORABLE SUPPORT FOR HB 1470.**

Should the Committee require any additional information, please contact me or Caitlin McDonough, caitlin.mcdonough@mdlobbyist.com at 410-366-1500.

Respectfully,

A handwritten signature in black ink that reads "Steve Wiener, Pharmacist". The signature is written in a cursive style.

Steve Wiener, RPh
EPIC Legislative Committee
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