

Date: February 27, 2020
To: The Honorable Paul G. Pinsky, Chair
From: Tom Wieland
Cc: Members, Health and Government Operations
RE: **SUPPORT HB 1307 - Pharmacy Benefits Managers - Network Adequacy and Reimbursement**

My name is Tom Wieland. I own Ritchie Pharmacy in Brooklyn Park, MD. It is located 1 mile south of the Baltimore City line on Ritchie hwy. I am here in support of House Bill 1307.

This bill contains several crucial aspects related to the survival of all neighborhood pharmacies not owned by PBM's. As my time is limited, I will only emphasize on a few.

This first item to me is the simplest one to understand. Insurance companies want pharmacies to obtain accreditation or of the sorts, or credentials to participate in their plan. Isn't this why we have the Board of Pharmacy, The Maryland Board of Physicians, The Maryland Board of Dentistry, and the list goes on and on. Have we gotten to place in Maryland where large corporations determine who can participate in health care and not the decision of the government? Maybe we don't need government anymore, and just let billion-dollar corporations run everything.

The second item concerns forcing a pharmacy to fill prescriptions at a loss. Who else does this? What industry in the entire country is forced to sell, manufacture or provide a service at a loss? And the key word here is forced. Here's just one example: Stribild, a drug for HIV, costs me \$3,160.36, the insurance company pays me \$3,094.24, a \$66.11 loss and if I refuse to fill it, my contract with the insurer would be canceled. Think how many prescriptions I have to fill with a filling fee of 15 cents and what I have to do to make up for that kind of loss.

The final item in the bill concerns DIR fees. At the time of sale, we do not know what our DIR fees may be. We might be able to estimate but that is just guessing. If I knew what the DIR fee is going to be and know that it would result in a large loss, then I wouldn't fill the prescription. However, unless this bill passes, doing so would result in losing the contract for all prescriptions for that insurer. Just to give you an idea on how big this is, in 2018, I paid 42,943.53 in DIR fees, in 2019 \$64,489.27. In just January of this year I paid \$6,743.70, multiply that by 12 and is \$80,924.40.