

## **Elevate Provider Network**

## **Accelerate Specialty Network**

March 8, 2022

Chair Pendergrass

CC: House Health and Government Operations Committee

Re: Supporting HB 973, Pharmacy Services Administrative Organizations (PSAOs) and Pharmacy Benefits Managers (PBMs)

Dear Chair Pendergrass and honorable members of the House Health and Government Operations Committee:

On behalf of AmerisourceBergen's <u>Good Neighbor Pharmacy</u> (GNP), <u>Elevate Provider Network</u> and <u>Accelerate Specialty Network</u>—and the 69 PSAO customers we serve in Maryland—<u>we are writing to express our support for **HB 973**.</u>

HB 973 corrects some undue logistical burdens accidentally imposed on all PSAOs operating in Maryland by the passage of HB 978 in 2020. HB 978 was meant to regulate PBMs, but incorrectly confused some of the responsibilities of PSAOs with PBMs. We are grateful to the sponsors of HB 978 for now introducing HB 973, which would correct some of the most pressing logistical burdens unintentionally caused by the 2020 bill.

Small, independent pharmacies have worked harder than ever to support Maryland communities through the COVID-19 pandemic. In addition to these pandemic stresses, they face complex administrative pressures that make running a business a challenge. For example, pharmacies must sign and manage many different contracts just to procure medications for their patients and guarantee that insurers will cover patient prescriptions. For large chain pharmacies, dealing with this red tape is no problem. They have a large, specialized staff that negotiates directly with PBMs. On the other hand, independent pharmacies struggle to manage these relationships and run their small business at the same time.

This is why PSAOs exist- to help alleviate these administrative burdens. We take care of the back-office responsibilities and manage complex administrative and operational tasks on their behalf, such as handling the intricacies of claims, contracts, reimbursements, compliance, and credentialing. We do not influence the price of medication or drug benefits or originate the contracts from PBMs. Regulating us like a PBM not only misaligns with our business model and challenges our ability to function, but also will <u>not</u> bring any greater prescription drug price transparency.

We respectfully request that the Committee support HB 973, enabling us and other PSAOs to continue providing essential support to independent pharmacies. That way, they can continue to fulfill their primary function: helping keep Maryland communities healthy.



## **Elevate Provider Network**

# **Accelerate Specialty Network**

Sincerely,

Cristina K. Muñoz, MPA
Sr. Director, State Government Affairs, AmerisourceBergen
and on behalf of
Good Neighbor Pharmacy,
Elevate Provider Network and
Accelerate Specialty Network

Cristina.Munoz@AmerisourceBergen.com

M: 602.291.0504

412 1<sup>st</sup> St. SE Suite 200 Washington, DC 20003

### **About Good Neighbor Pharmacy (GNP):**

GNP is a family of locally owned, locally loved, independent pharmacies united by their commitment to providing personalized care to their patients. GNP pharmacists care for millions of patients at thousands of locations across the Unites States, including GNP's 34 pharmacies in Maryland. GNP has ranked "Highest in Customer Satisfaction with Chain Drug Store Pharmacies" in the J.D. Power 2021 U.S. Pharmacy Study. This is GNP's 5th consecutive year earning this ranking and our 10th recognition in the last 12 years.

#### **About Elevate Provider Network (Elevate):**

Elevate is a pharmacy services administrative organization (PSAO) that serves 65 Maryland based community and independent pharmacies by helping them contract with payers and providing other administrative functions. This pharmacy-friendly PSAO enhances the ability of community and independent pharmacies to efficiently serve their customers and provide optimal patient care—especially in underserved communities where an independent or community pharmacist might be the only immediately accessible healthcare provider. Elevate works diligently to reduce unnecessary costs for pharmacies; make it easy to understand complicated contracts; keep pharmacies up to date on industry changes; utilize industry expertise and resources to provide access to more patients; and enable pharmacists to spend more time focusing on patients—thus improving patients' health.

#### **About Accelerate Specialty Network (Accelerate):**

AmerisourceBergen combined our market-leading PSAO services with our extensive specialty experience to create the nation's first specialty-focused PSAO. Built to partner with the payers to help promote and enable accessible community-based pharmaceutical care, Accelerate offers members solutions and insights that aim to deliver beneficial payer contracts-allowing providers to reduce administrative responsibilities and focus on what matters most: providing the best possible care to their patients.