2/27/2025 HB 813

Mt. Vernon Pharmacy

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Prescription and Over the Counter Medications * Prescription Counseling * Diabetes Supplies * Vaccinations

Mt. Vernon Pharmacy supports HB 813 - Pharmacy Benefits Administration - Maryland Medical Assistance Program and Pharmacy Benefit Managers.

The Maryland Department of Health is obligated by CMS to reimburse Medicaid Fee for Service prescription claims based on the actual ingredient cost of a prescription plus what the department of health determines to be the fixed costs to dispense a prescription using generally accepted accounting principal. The cost to dispensed was last surveyed prior to the Covid 19 pandemic and that amount was \$10.67. I cannot name anything that has not inflated since Covid 19. Pharmacy reimbursements and profits are the only thing that I am aware of that has deflated. The health department is free to determine the actual cost in any number of ways, however, if the department does not have a better way, they are free to use a national survey conducted by Myers and Stauffer, an accounting firm appointed by CMS. As the State of Maryland utilizes Myers & Stauffer for state surveys of medications that are not part of the federal survey, it is not unreasonable to conclude that the state has faith in this firm and the process put in place by the feds.

There is no such obligation for MCO prescription claims to be paid based on reality or generally accepted accounting principles, and hence they aren't.

The most up-to date data from my two pharmacies for January, 2025.

# of	MCO Claims	% paid < cost	% paid < cost + \$10.67	Total Paid by MCO	Pharmacy Loss w Fixed Costs
		•	•	•	•
Pharm 1	1,215	21%	89%	\$102,741	\$4,090
Pharm 2	2,047	20 %	91%	\$43,834	\$8,601

What are the ramifications of unsustainable prescription losses:

- Previously free services like delivery and compliance packaging will become ala carte for patients that can least afford it
- Pharmacy Store hour & service reductions. One chain will not even let patients contact a pharmacist over the phone
- Pharmacies not stocking chronically non-profitable prescriptions: Hep C Rx loss for MCO claims is about \$1,800 per Rx. Stores won't stock. Others include GLP1s, and ADHD meds.
- Pharmacy closures in Metropolitan Underserved Areas (per Summer 2022 Board of Pharmacy Newsletter – attached): Besides independents: Walgreens at Mercy Hospital closed Feb 19th, 2025. The 4th to close in close zip codes. CVS at 1000 S. Charles and Federal Hill close 4/1/2025.
- Remaining Pharmacies may not be able to accept new patients from closing stores because of the need to cut staffing because of diminished profitability
- An aging population that needs more meds = increased prescription demand, with fewer pharmacies and each pharmacy having less staff = a dangerous recipe for disaster!!!!!!!!!!!

In 2019, EPIC Pharmacies exposed the practice of Spread Pricing in MCO reimbursements of prescriptions. Besides jeopardizing federal Medicaid matching funds because it was essentially fraud, the stopping of that practice saved the state over \$65 million. When pharmacists save the system money in other states, those states invest those savings back into better pharmacy reimbursement to make the system sustainable. Not so in Maryland.

I would like to thank Delegate Johnson for sponsoring this legislation and the other members of this committee for being supportive of independent pharmacies and the patients that we serve, ad I urge a favorable report on HB 813.

Thank you,

Steve Wienner, RPh

Mt. Vernon Pharmacy, President

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VOLUME XVII, ISSUE 2 SUMMER 2022



Board of Pharmacy News



In This Issue

	Executive Director1
	In Memoriam2
	Legislative Summary3-4
	Disciplinary Actions4
]	Bowl of Hygeia4
	Inspection Issues5
,	Tech Training5
	NABP News6-7

The Mission of the Maryland Board of Pharmacy is to protect Maryland consumers and to promote quality health care in the field of pharmacy through licensing pharmacists and registering pharmacy technicians and student interns, issuing permits to pharmacies and distributors, setting pharmacy practice standards and through developing and enforcing regulations and legislation, resolving complaints, and educating the public.

Maryland Board of Pharmacy

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Embracing the Future of Pharmacy in Maryland

Deena Speights-Napata, Executive Director Chairperson, NABP District 1 and 2

In the 2022 spring board newsletter edition I shared some disturbing trends being seen in the number of pharmacy closings in Maryland. In 2020 and 2021, nearly all Maryland jurisdictions experienced an increase in the number of pharmacy closings. In 2020, close to 1/3 of those closings occurred in the Baltimore metropolitan area. In 2021, Howard and Harford counties experienced significant increases in the number of pharmacy closings. This data didn't look good, and I was hoping that the number of 2021 openings would exceed the number of closings and we would be able to increase the number of openings in the Baltimore metropolitan area.

A review of pharmacy closings from January to June 2022, we have had 23 pharmacy closings. While we are on pace to match the number of closings that occurred in 2020, if the current trend continues, we will cut in half the number of closings that occurred last year. That's great news! The news that's not so great is that we continue to experience higher numbers of closures in the Baltimore metropolitan area (Baltimore county and city) followed closely by Prince Georges and Montgomery counties. And while Montgomery County has experienced a significant number of closings, the county has equally had a significant number of openings. Sadly, Baltimore City and Baltimore County continue to have four and five times the number of closings as openings. Howard and Harford counties continue to lag behind, with no pharmacy openings having occurred in those jurisdictions this year. The question becomes, where will the patrons of the closed pharmacies go for prescription refills, COVID testing and treatment, and other important pharmaceutical services? And, just like COVID, not if we will recover, but how long it will take.

On another note, I also shared concerns the board has had regarding the decreased number of technician registrations we received so far in FY22. I'm pleased to announce that the number of technician registrations has significantly increased over the past 6 months—just in time to accommodate the increased roles and responsibilities pharmacy technicians in Maryland will assume within the next 12 to 24 months.

So, all is not bleak. Exciting times are ahead—let's choose to confront and embrace the challenges as well as the victories!

The Board of Pharmacy is currently accepting submissions from readers for consideration for upcoming newsletter articles. Desired subjects covered may include public health or general educational topics. Submissions should be 500 words or less, in Microsoft Word document format.

Send any submissions to mdh.mdbop@maryland.gov