

Thank-you Senator and Chairman Dunleavy.

For the record, my name is Mary Mundell, and I am the owner of Susitna MediSet Services and until 12/1/2012 the owner of Susitna Professional Pharmacy in Wasilla. I have been a pharmacist in Alaska for 27 years and in business for 11 years.

I am testifying today to support passage of SB8, and here are some of my experiences with Pharmacy Benefit Managers(PBMs) as a pharmacy owner.

My pharmacy has been twice audited by the largest PBM in the USA. We were given 2 week notice to pull all information requested for a 2 year period of all prescriptions files requested for that period. It took myself and a full-time technician hours to complete all information requested costing thousands of dollars and lost productivity. The audit was conducted on April 14th one day prior to tax day! The auditors recouped \$900.00 hardly worth the expense to my business and my health.

The second audit from this company came two years later, the auditors did not arrive on the day of the audit and I had to call all over the country to find a human life form then was rudely informed the auditors had cancelled their flight and the audit. I never received one email, fax, phone call, or postal letter informing me of this decision. Can you imagine how I felt and how much more time and money I spent only to be wasted? This was the poster child of abuses.

In the last two years we receive a minimum of 2 audits per week. They are not as extensive but nonetheless intrusive and abusive. Last week my pharmacy received a fax from a large PBM stating "if you receive a fax audit you will have 2 days to respond or it will result in a full blown audit of all records!"

I had to pay over \$1000 to another audit for a "fax audit" for which I did not receive the original fax. There was no process for appeal as I was unable to respond to the audit, and it was merely pay up or else! All fax audits are faxed from the PBM once and without the courtesy of a follow-up. This makes it very easy to extort money from honest hard working pharmacies without due process or recourse.

All money returned to the PBM's for audits does nothing to reduce costs and stays only in the pockets of the PBMs nobody wins except the bottom line of the PBM who make billions of dollars in profits every year.

With the looming promise of increased costs and audits, pathetic and declining reimbursements and a pay to play mentality to be added to preferred provider status, I made the heart wrenching decision to sell my retail pharmacy to Walgreen's in December. As a result, there is no longer a single Alaskan owned independent pharmacy in the entire Mat-Su valley. People lost their jobs and there is a huge void in patient access to care.

Therefore, it is with great concern for all the people of Alaska, the viability of community and independent pharmacies of Alaska who care for these people that I wholly and enthusiastically appreciate your efforts and endorse the passage of SB8. Thank-you.

Sincerely,

Mary D. Mundell, RPh