

From: [Sen. Anna MacKinnon](#)
To: [Senate Finance Committee](#)
Subject: FW: SB38
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From: Medical Center Pharmacy [mailto:medicalcenterpharmacyone@yahoo.com]
Sent: Saturday, April 07, 2018 2:04 PM
To: Sen. Anna MacKinnon <Sen.Anna.MacKinnon@akleg.gov>
Subject: SB38

Senator Anna MacKinnon
Co-Chairman of Senate Finance
State of Alaska
Juneau, AK 99501

Dear Senator MacKinnon,

4/7/18

Thank you for hearing SB38. I hope that you find that you can support and pass this important piece of legislation.

I ask for your vote and if possible co-sponsorship of SB38 the "PBM Audit bill". This bill provides structure and brings PBM's under the control of the State of Alaska, which they are not now. A majority of the other states in the nation have a similar or more strict regulations on their books. Alaska needs to join the rest of the nation in regulating PBMs (Pharmacy Benefit Managers). PBMs are the companies that administer the drug benefit portions of your health insurance.

They are responsible for the hiccups when you fill a prescription and you find out at the pharmacy counter that the drug you and your provider decided you need is

- not on the formulary
- needs a step-edit or
- needs a prior authorization.

Many times the decision is determined by who gives them the larger rebate on a particular drug for a particular PBM. This bill provides structure in how they can audit and intimidate the pharmacies in Alaska.

Please, pass this bill. We have lost over 5 pharmacies in the past 15 years, due to over zealous insurance companies and their auditors.

They give pharmacies a "take-it or leave-it" contracts that many times **under reimburse** the pharmacies for less than the cost to buy from the wholesalers. I myself have been unable to sign contracts that reimburse for less than what I can buy it at the wholesaler, yet the PBMs reimburse other pharmacies at that low rate and get large rebates on the back side of the prescription claim. Then they come in an audit and penalize the pharmacies for clerical errors and extrapolate the fines.

This bill will be self funded through the fees of registration. So should not effect the state budget.

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