

Dana Owen

From: Sen. Dennis Egan
Sent: Wednesday, March 06, 2013 3:28 PM
To: Dana Owen
Subject: FW: SSSB 8 Pharmacy Audits

-----Original Message-----

From: thodel@alaska.net [<mailto:thodel@alaska.net>]
Sent: Wednesday, February 27, 2013 11:29 AM
To: Sen. Dennis Egan
Cc: dcc@alaska.net
Subject: SSSB 8 Pharmacy Audits

Senator Dennis Egan
State Capitol Room 9
Juneau, Ak. 99801

Dear Senator Egan,

Thank you for sponsoring SSSB 8 on the Pharmacy Audits. I have operated Soldotna Professional Pharmacy for 29 years. We employ 28 people in our pharmacy and are a vital part of the healthcare community on the Kenai Peninsula. This bill is very important to the economic future of the independent pharmacy. The abuse of audits by the Pharmacy Benefit Managers has progressively gotten worse over the years.

You probably heard me testify during the session last year. We had an audit on over \$100,000 on claims that covered the years 2008 & 2009. After many hours of after hours work - all the information requested was submitted. After several months - they did an on-site audit of the claims. After a few more months - they found \$87 in "clerical" errors. No patient health was compromised. This figure was then entered into their extrapolation formula and it was determined that we owed over \$7500! This is just not right!

Pharmacists all agree that audits are necessary to make sure that fraud, waste, and abuse is curtailed. The PBM industry is virtually unregulated today in Alaska. All that we as pharmacy owners are asking for is to provide some clarity in the audit process. 22 states have already passed audit legislation and I certainly appreciate you and your staff's efforts to provide this audit relief for Alaska's pharmacies.

Sincerely,
Thomas Hodel RPh.
Soldotna Prof. Phcy