



March 9, 2017

The Honorable Cathy Giessel
Alaska State Senate
State Capitol, Rm 427
Juneau, Alaska 99801

RE: Senate Bill 38, an act relating to pharmacy benefits managers

Dear Senator Giessel:

The Alaska Chamber proposes that the Legislature take no action on SB 38 in the current environment of uncertainty regarding healthcare in Alaska and our nation.

The Alaska Chamber is a non-profit founded in 1952 working to promote a positive business environment in Alaska. The Chamber is the voice of small and large business representing hundreds of employers and local chambers across Alaska. Our member companies employ over 100,000 hard-working Alaskans.

Alaska Chamber members are struggling to provide coverage to its employees due to the high cost of medical costs in Alaska and the demands of the Affordable Care Act (ACA). Senator Dan Sullivan recently met with our members concerning the ACA and our members expressed frustration with mandates of the federal government to limit choice and forcing new requirements for compliance. It is not the time for our state government to limit the options of members to provide pharmacy services to their employees.

We understand the pharmacy position regarding mitigating risk associated with audits with Pharmacy Benefit Managers (PBM), however the relationships between the pharmacy and the PMB is a negotiated relationship and therefore should remain such between private companies without government involvement, which is in part is how we have ended up in the current healthcare crisis surrounding the ACA.

The Alaska Chamber respectfully asks this legislation be held until the U.S. Congress and President Trump can navigate the next steps regarding the ACA during the next several months and hopefully will provide a path that creates a truly affordable healthcare for our country, which will include pharmacy benefits.

Sincerely,

A handwritten signature in black ink, reading 'Curtis W. Thayer'.

Curtis W. Thayer
President & CEO