

Senator Cathy Giessel  
Senate Majority Leader  
Representative Jesse Sumner  
Alaska State Legislature  
Juneau, Alaska 99801

February 22, 2024

**Re: Support for SB 121 / HB 226 – *the Patient Freedom of Pharmacy Choice Act***

Dear Honorable Senator Giessel and Representative Sumner,

I am writing in support of SB 121 / HB 226 – The *Patient Freedom of Pharmacy Choice Act*. This bill protects patients' right to choose their own pharmacy, guards the patient-pharmacist relationship, and bars unfair trade practices that impact Alaskan pharmacies.

Over the last 20 years as Director of Denali Pharmacy located in Fairbanks, I have seen the damage from pharmacy benefit Managers (PBMS) on the access of pharmaceutical care in our community. Alaskans should be free to choose their own pharmacy, but pharmacy benefit managers (PBMs) take away that choice from our patients. PBMs decide which drugs are covered by insurance, how much is paid to the pharmacy, and which pharmacy the prescription can be filled. Denali pharmacy is own and operated by Foundation Health Partners and our mission is "People First, Community Focused, Excellence Every time". Unfortunately the PBMS at every turn make this difficult by putting up barriers to the patients getting their prescription in a timely manner, making my job harder. I have multiple stories where I am trying to help patients discharge from Fairbanks Memorial hospital but the discharge gets delayed waiting on Prior Authorizations from the insurance companies or Denali pharmacy is NOT an in network provider and the patient must find another pharmacy who has the drug they need. Meanwhile we have the drug and can easily fill their meds but we are not allowed to. Some plans only allow one fill locally and then the patient must figure out how to get their medications from a mail order pharmacy. This has greatly impacted where Alaskans are "allowed" to fill their prescriptions and has hurt local pharmacies. These practices have resulted in many local pharmacies going out of business, leaving pharmacy deserts around the state, which affects patient safety. Because of Alaska's geographical location, mail-order can be problematic due to the long transit time and inclement weather, leading to medications becoming frozen, inappropriately thawed, and/or otherwise unsafe for use. Nothing in this legislation prohibits patients from using mail-order if they prefer to do so.

Every day I interact with patients to help them understand their medications. I am also available to providers for drug information questions to help with patients in the clinics. Research has shown that interaction with a pharmacist can increase medication safety and adherence. As one of the most trusted healthcare providers, the services we provide are valuable and our patients lose that if forced to fill at a mail-order pharmacy. Have you tried to call a mail order pharmacy and talk with a pharmacist? I know I have been left on hold for long stretches waiting to talk with a pharmacist in a mail order pharmacy. It is important that our pharmacies stay in Alaskan communities and patients have access to pharmacists they have a trusting relationship with.

In the last year, I have had to have the hard conversations with management out the poor performance of Denali pharmacy and the number one problem is the poor reimbursement from PBMs. The number of independent pharmacies in Alaska has decreased by 25% in less than 6 years. SB 121 / HB 226 offers protection to our local pharmacies by prohibiting PBMs from reimbursing our pharmacies less than what they would reimburse their own affiliated pharmacies. Furthermore, this bill requires PBMs to supply contracted pharmacies with a list of current medication prices, as well as prohibiting spread pricing. This price transparency can help lower healthcare costs for patients and employee plan sponsors. The transparency provisions will help to ensure the most affordable and efficacious medications available are provided to patients.

Respectfully,

Karen Miller RPH  
Director of Denali Pharmacy Located at Fairbanks Memorial Hospital