

February 11, 2025

The Honorable Margaret Rotundo
Chair, Appropriations and Financial Affairs Committee
Representative Drew Gattine
Chair, Appropriations and Financial Affairs Committee

The Honorable Henry Ingwersen
Chair, Health and Human Services Committee
The Honorable Michele Meyer
Chair, Health and Human Services Committee

RE: LD 210 - An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

Dear Senator Rotundo, Representative Gattine and members of the Appropriations and Financial Affairs Committee, and Senator Ingwersen, Representative Meyer and members of the Health and Human Services Committee:

On behalf of the National Community Pharmacists Association (NCPA), I am writing to strongly oppose the pharmacy assessment included in the Governor's proposed budget. As proposed, the proposal would subject each pharmacy in Maine to an assessment in the amount of \$0.70 per pharmacy prescription. This provision could not only increase prescription drug costs but also place pharmacies in even greater financial peril than they already face.

NCPA represents the interest of America's community pharmacists, including the owners of more than 19,400 independent community pharmacies across the United States and approximately 45 in Maine, which employ more than 480 residents, and which filled more than 2.6 million prescriptions in 2023.

While we understand the intention of the proposal is that some pharmacies will receive higher reimbursement for MaineCare prescriptions, this proposal will jeopardize and likely hurt the Maine pharmacy ecosystem. We are concerned how the assessment and the suggested

increased MaineCare dispense fee are two different initiatives, and how only the \$.70 tax is in the budget. We are not aware of any details related to the increased reimbursement, such as being data-driven or based on a cost of dispensing survey, which is required by the Centers for Medicare and Medicaid Services for approval of a State Plan Amendment.

Our understanding of the proposal is that it is intended to be budget neutral in aggregate but there is no guarantee that individual pharmacies will be made whole. There will be winners and losers. Everyone is taxed at the same rate per prescription, but only pharmacies that fill a high degree of MaineCare prescriptions will have a chance to be made whole. In an already challenging environment created by the egregious business practices of Pharmacy Benefit Management companies, including widespread under-reimbursement, this additional instability is not helpful.

NCPA appreciates the opportunity to share its opposition to the proposal. If you have any questions about our concerns, please don't hesitate to contact me at (703) 600-1186 or joel.kurzman@ncpa.org.

Sincerely,

A handwritten signature in black ink that reads "Joel Kurzman". The signature is written in a cursive, flowing style.

Joel Kurzman
Director, State Government Affairs