

February 11, 2025

Senator Margaret Rotundo, Chair
Representative Drew Gattine, Chair
Members of the Appropriations and Financial Affairs Committee

Senator Henry Ingwersen, Chair
Representative Michele Meyer, Chair
Members of the Health and Human Services Committee

Re: LD 210 – JFAC Appropriations Pharmacy Prescription Tax [Oppose]

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

I am writing in opposition of LD 210 part SS that assesses a \$0.70 tax on prescriptions dispensed by pharmacies, an issue very important to both Albertsons Companies and the citizens of the great state of Maine. Albertsons Companies Inc. ("ACI") family of pharmacies currently operate 13 locations in the state of Maine under both the Shaws banner. Nationwide, ACI operates 1726 pharmacies across 34 states and the District of Columbia.

Our pharmacies provide critical support to Maine's healthcare infrastructure and in some cases the only available access to a pharmacy in rural communities. LD 210, which seeks to impose a \$0.70 tax on every prescription dispensed in the state of Maine, will have devastating consequences for community pharmacies, increase costs for patients, and threaten access to essential medications—particularly in rural and underserved communities.

We commend the Maine Legislature for the work it has done to address the harmful practices of pharmacy benefit managers (PBMs), taking steps to ensure transparency and fairness in prescription drug pricing. However, LD 210 directly undermines these efforts by imposing an undue financial burden on pharmacies, many of which are already struggling due to unsustainable reimbursement rates from both private and public payors.

Pharmacies operations are already navigating increasing operational costs, workforce shortages, and declining reimbursement rates. By further increasing costs, LD 210 will force many pharmacies—especially those in rural and underserved areas—to reduce services, cut operating hours, or shut down entirely. This would leave patients with fewer options for accessing their medications, exacerbating health disparities and placing additional strain on already overburdened healthcare providers. We have already witnessed the negative impacts of similar taxing policies in other states, such as Oregon. If enacted, LD 210 will accelerate the closure of pharmacies across the state, reducing patient access to critical pharmacy services, including medication counseling, immunizations, and chronic disease management.



Albertsons Pharmacies strongly urges the Legislature to reject this proposed prescription tax. Instead, we encourage policymakers to explore alternative solutions that support pharmacy sustainability. We welcome the opportunity to work with you to identify measures that enhance access to affordable medications while ensuring that community pharmacies and pharmacists can continue to serve as a trusted source of patient care!

Thank you for your time and consideration. If you have any questions as it relates to this bill, please reach out to me at Anthony.Provenzano@Albertsons.com or 208-395-3354.

Sincerely,

Anthony Provenzano, PharmD
Vice President, Pharmacy Compliance and Government Affairs
Albertsons Companies Inc.