



P.O. Box 528 | Augusta, ME 04332

February 12, 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: Testimony IN OPPOSITION - LD 210, Language Part "SS" Establishes a \$0.70 cents per pharmacy prescription assessment on pharmacy providers

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:

My name is Amelia Arnold, I am a resident of Winthrop, the Vice President of Operations of Community Pharmacies and Legislative Liaison for the Maine Pharmacy Association. Today I am submitting testimony on behalf of Community Pharmacies, a nine-location independently owned small pharmacy chain in the State of Maine. We employ approximately 60 people as pharmacists, interns, technicians and support staff. I am submitting this testimony on behalf of the Community Pharmacies, LLC, in strong opposition to LD 210, Language Part "SS" Establishes a \$0.70 cents per pharmacy prescription assessment on pharmacy providers. While I recognize the need to stretch every budget dollar as far as it can go, I must emphasize this prescription assessment would have a devastating effect on Community Pharmacies.

I think it's vitally important that you understand why the pharmacy community is uniting against this proposal. When I look at our nine locations, I am faced with the reality that we would be paying well over \$300,000 in a pharmacy assessment based on prescription volume. While I fully understand the desire to leverage matching federal funds (if they remain available), the realization that MaineCare could not "hold harmless" any one pharmacy means that some pharmacies stand to recoup more money than others- and this is entirely based on their MaineCare dispensing percentages. While I think it's easy to say "well this would help pharmacies in disadvantaged areas", the true picture is much more complicated.

While it may be tempting to say this tax would redistribute money to underserved communities that need it the most, that is simply not true. Each of the towns where we are located has a unique story to tell, and there is so much more to each one than just the percentage of MaineCare claims when it comes to the important role they play in their community. We have locations with high elderly populations who receive assistance, but Medicare serves as the primary payer and therefore we would not receive an increased fee. We have a location with a higher-than-average rate of patients who are uninsured, but that area doesn't even rise to the top of our MaineCare claims. Instead, many of those patients are hardworking fisherman and lobsterman who may not qualify for MaineCare. I see no reality in which if this tax were to pass that they would not be burdened with a higher cost of their medications. Several of our



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locations offer delivery to help those patients who have limited mobility or transportation, but this would most likely have to be scaled back if not eliminated as a way of cost savings.

Please consider this example if you continue to hear this will be "pharmacy neutral". We have two locations that both fill slightly less than 50,000 Rx's a year. With this tax they both would pay around \$35,000. However, they have very different populations. One has 13% of their claims billed to MaineCare, the other has 25%. Each would pay in around \$35,000, but Pharmacy A with 13% of MaineCare claims would only receive an increased dispense fee on 6,500 of their claims while Pharmacy B with a 25% MaineCare claims would receive increased dispense fee on 12,500 of their claims. Pharmacy A would need an increased dispensing fee of \$5.38 per MaineCare claim to make up their \$35,000, while Pharmacy B would need \$2.80. With no transparency to where the budget numbers have come from, I fear that the increase may not even make Pharmacy B able to recoup their money.

I have been a community pharmacist for my entire career. I was born and raised in Oxford County. I have desire to continue to provide superior pharmacy services to areas throughout Maine for my entire career, but even before this proposed pharmacy assessment I was worried about the future of my profession. If this pharmacy assessment were to pass, I struggle to see a reality that I can continue to find ways for our company to offer superior, patient-centered care and stay financially viable. I urge you to think of the future of retail pharmacy in Maine and consider the far-reaching and devastating implications this will have.

Sincerely,

A handwritten signature in cursive script, appearing to read "Amelia Arnold".

Amelia Arnold, PharmD, MBA
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