

Dear Members of the Appropriations and Financial Affairs Committee:

On behalf of Walgreens and the 76 retail pharmacies that we operate, and the over 1,300 employees that work and live in Maine, I am writing to express our concern regarding the proposed \$0.70 tax on prescriptions in the Governor's budget. At a time when seniors and patients are seeing rising healthcare costs, and pharmacies are struggling with reduced pharmacy reimbursements and increased costs associated with operating brick & mortar stores, adding an additional tax on prescriptions, will have severe consequences.

It's no secret that these pressures have caused many pharmacies, including Walgreens to reduce operating hours, reduce staffing levels and worse, close underperforming stores nationwide, and in Maine. This proposed pharmacy tax will simply add millions of dollars in operating expense, that will greatly impact the performance and sustainability of our pharmacies, thus impacting patient care and access across the state.

We respectfully ask, that you oppose this provision of the budget, and seek other possible solutions that will assist pharmacies in Maine to operate at the highest level and service to the communities that we serve.

Please feel free to contact me if you have any questions.

Thank you in advance.

Donovan W. Pepper

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