



February 12, 2025

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 Steven Royer, and I am the Vice-President of Pharmacy Services for Kennebec Pharmacy and Home Care a Maine owned company, headquartered right here in Augusta, with divisions in Augusta, Auburn, South Portland, Brunswick, Waterville, and Rockport, Maine. We are proud to employ 114 hard-working Maine Citizens, however, not too long ago we employed over 150.

I have been practicing pharmacy in this State for 38 years. I am a resident of the town of Greene, and the township of Benedicta. I am here today to testify in opposition to LD 210 part "SS" which establishes a seventy cents (\$0.70) per pharmacy prescription assessment on pharmacy providers.

As I mentioned earlier, we use to employ over 150 people. Due to years of poor prescription reimbursement, unprecedented inflation, and increased regulations we have been forced to close some of our pharmacy locations. In 2019, we closed our retail pharmacy location in Brunswick, in 2020, we closed our specialty pharmacy operations located in Augusta, in 2022 we closed our Augusta retail pharmacy location, and most recently on January 31st we closed our Rockport retail pharmacy location and also closed our non-sterile compounding pharmacy operations in one of our Augusta locations. Each time we had to exit or close an operation, there were individuals that lost their jobs, and also, many patients lost access to these valuable services.

Currently we have two different pharmacy operations; a closed-shop Long Term Care (LTC) pharmacy located in Augusta that services residents and patients in long term care facilities throughout the State of Maine, and a Home Infusion Therapy (HIT) pharmacy that provides IV medications and nursing services in the home setting. The types of medications that we provide include but are not limited to lifesaving chemotherapy, antibiotics, total parenteral nutrition (TPN), specialty infusion medications for many disease states and continuous pain management for patients dying from cancer. Each one of us in this room knows or knew someone touched by cancer. Chances are, if they lived anywhere between Portland and Bangor and received cancer treatments in one of the Maine clinics, there is a high likelihood that they received some type of service from us.

In our LTC pharmacy 99% of the people that we service do not have MaineCare as their primary insurance, as they are seniors and most likely have a Part D plan, and in our HIT pharmacy once again the majority of the people that we serve do not have MaineCare as their primary payor. If this bill is not defeated it will definitely cause hardship for our pharmacies. While I understand that some pharmacies will receive an increase reimbursement for MaineCare prescriptions, this increase would not offset the tax being assessed in our pharmacies due to our patient population, thus causing this to not be Pharmacy Neutral.

We have been plagued with poor reimbursement for many years, and I mentioned earlier the increased costs of providing this care have outpaced the reimbursement. If you add on another expense such as the proposed tax, it will prove detrimental to our operations.

In our mission statement we talk about providing quality services with care and compassion and making better living possible for the people we serve. We live that every day. I, along with my team, want to continue making better living possible for the people we serve, and that is why I am here today. I am fearful that if this passes, we will be forced to exit once again, thus causing people to lose their gainful employment, and resulting in thousands of Maine residents going without our services. I ask each one of you to think this through with care and compassion and make the right decision.

Please defeat this!

Thank you so much for listening.

Respectfully submitted,

A handwritten signature in black ink, consisting of a large, stylized loop that starts on the left, goes up and over, then loops back down and to the left, ending with a long horizontal stroke extending to the right.

Steven R. Royer, R.Ph., FASCP

Vice-President of Pharmacy Services