

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 Courtney Doherty Oland, and I am a pharmacist and the President of Guardian Pharmacy Maine Located in Brunswick. We are a specialty Long-Term Care Pharmacy that serves almost exclusively senior living. I have been practicing pharmacy for almost 30 years I am a resident of Topsham; I am submitting testimony in opposition of LD 210-part SS which establishes a \$0.70 cent per pharmacy prescription assessment on pharmacy providers.

- Although this "provider tax" is intended to allow the State of Maine the opportunity to draw down added federal matching funds (aka: federal financial participation FFP) to pay for Medicaid Services it will most certainly have a negative impact on most if not all Maine Pharmacies. It also should be mentioned that the availability of these FFP matching funds is anything but certain, making this not only a risky and some might say reckless proposal.
- It is important to point out that the Increase in Medicaid Dispensing fees being presented by members of the budget committee as cost neutralizer are at this point hypothetical, and NOT EVEN part of the proposed budget.
- It is being said that pharmacies will be made whole in so much as the increased federal funding will offset the impact any proposed tax. **This is not a Pharmacy neutral tax!** The tax payments some pharmacies, like Guardian, who almost exclusively service a Long-Term Care Senior Living population, who's prescriptions are **NOT covered by Maine Care** will be disproportionately impacted and stand to bear the brunt of this proposed \$.70tax.
- **There will be winners and losers! There is no disputing that fact! Long Term Care Pharmacies will not be in the winner's category.**
- This tax will decrease our revenue – with no opportunity for recoupment as Medicare D dispensing fees or rates are not increasing but are in fact under constant downward pressure. And under threat by PBM's and other 3rd party payors. This is not a tax that can be simply added in whole or in part the price of another prescription, ancillary products or services we might offer.

- The direct fiscal impact on my business will run in the hundreds of thousands of dollars on an annual basis. This unpredictable hit to the bottom line will force Guardian Pharmacy as well as other pharmacies I am told, to make some very unimaginable decisions related to a reduction in workforce. The annualized estimates of this non recoupable tax on my business alone, will require us to consider a reduction in headcount by approximately 6 technicians or 2.5 Clinical Pharmacist which represents the equivalent of 10% of our workforce in attempt to compensate for the impact of this tax.
- A workforce reductio of this scale is nothing short of dangerous and will severely affect our ability to provide the safe high-quality services our senior living population deserves. Not only do the elderly deserve the service we provide, but in fact these services are required under Medicare Participation riles. LTC pharmacies are available 24 hours a day 7 days a week to provide not only dispensing of medication in compliance packaging but advanced clinical services such as sterile IV services, clinical consulting and delivery, The thought of any workforce reduction alone should be a cause for grave concern. The Impact of such will result in the impairment of our team to safely provide advanced clinical pharmacy services to the thousands of elderly patients we service Statewide.
- Imagine for a moment that in fact more prescriptions will be shifted to mail-order pharmacies – who apparently will not be subject to this tax- resulting in pharmacy closures and reduced access to a pharmacist in some communities. This, at a time when access to healthcare is already compromised. I challenge that a mail order pharmacy is in ANY WAY a better choice for the people of Maine. In fact, that reality alone is contradictory to this proposal as this shift will ironically result in a decrease in matching FFS funding.
- I invite all members of the committee to visit my pharmacy in Brunswick to see for themselves the complexity of the service we provide. In fact, I highly recommend that each of you speak to your pharmacist personally to gain a better undertaking as to how this proposal will impact them and their ability to provide service and even survive.

Thank you for the opportunity to speak today. I ask one last time for all members here today to strongly oppose LD 210-part SS and look for other ways to close the current budget gap.