



February 21, 2020

The Honorable Martin Carbaugh, Chair
House Insurance Committee
200 W. Washington Street
Indianapolis, IN 46204

Dear Chairman Carbaugh and Members of the House Insurance Committee:

On behalf of our members operating pharmacies in the state of Indiana, the National Association of Chain Drug Stores (NACDS) is pleased to offer support for provisions of Senate Bill 241 that would help protect the viability of retail community pharmacies in Indiana.

NACDS supports the provisions of Senate Bill 241 that help ensure that local Indiana pharmacies may be fairly and properly reimbursed for the prescription medications they provide and associated pharmacy services such as immunizations and helping patients take their medications accurately and safely. Unfortunately, resulting from unclear reimbursement contracts, pharmacies often must dispense prescription medications and provide services at a financial loss or lose access to many longtime patients.

NACDS supports provisions to require transparency in pharmacy contracts with clearly defined drug pricing and reimbursement methodologies and practices. We also support provisions that require any audit practices to be clearly defined, to prohibit the charging of unreasonable fees on pharmacies, and allowing pharmacies to contest changes in their reimbursement. Pharmacy reimbursement contracts should be clear, objective, and consistent with ensuring patient access to the pharmacy of their choice.

Importantly, this legislation would require adequate pharmacy networks and would provide beneficiaries with equal access to all network pharmacies. This provision should help Indianans continue to receive care from the pharmacy of their choice.

Thank you for the opportunity to share our perspectives on Senate Bill 241. We urge lawmakers to advance this important legislation to protect Indianans' access to pharmacy care from the pharmacy of their choice, including local retail community pharmacies.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven C. Anderson", written in a cursive style.

Steven C. Anderson, IOM, CAE
President and Chief Executive Officer

Cc: Members of the House Insurance Committee