



June 1, 2020

The Honorable Lorena Gonzalez
Chair, Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

Re: AB 2983 (Holden) Pharmacies: automatic refills - OPPOSE

Dear Chairwoman Gonzalez,

The California Retailers Association (CRA) and the National Association of Chain Drug Stores (NACDS) write to regretfully register our opposition to AB 2983 by Assemblyman Chris Holden, which would prohibit pharmacies from automatically contacting prescribers to authorize a prescription for any dangerous drug or device for more than a 7-day supply refill without authorization from the prescriber or patient. It would also require a pharmacy to obtain separate authorization for each prescription and would prohibit a pharmacy from requesting more than the number of refills authorized in the original prescription. We believe this bill will have a long-term negative fiscal impact to the state due to increased pressure on state programs.

California is in the midst of a declared State of Emergency due to the COVID-19 pandemic. During this time, when the healthcare system is at risk of being overloaded, California has been working to ease restrictions on pharmacies, hospitals, and other segments of the healthcare infrastructure to ensure access to care is protected. AB 2983 would have the opposite effect, limiting Californians' access to critical medications.

AB 2983 would require pharmacists to obtain an extra authorization from the physician and the patient in order to obtain the refill authorization. This is both a very costly and overly burdensome step and will NOT result in increased patient safety. For Medi-Cal patients this could mean an additional cost to the state as patients are less likely to adhere to their medications because of the increased burden the bill places on them to provide their pharmacists with written authorization EVERY time the pharmacist reaches out to their physician to obtain a refill authorization.

Patients may call a pharmacy to request a refill not realizing that their prescription has no refills. Such requests are often left on the pharmacy's voicemail or submitted online or electronically, resulting in a notation that the pharmacy should call or fax a physician office for refill authorization. This has always been pharmacy practice and is an efficient way to ensure patients receive their refills. A physician who does not wish to authorize the refill request simply denies the refill and requests that the patient make an appointment.

In addition, prescribers often only initially prescribe refills when starting therapy, approving additional refills once the patient is stabilized on a treatment plan. This bill is inefficient and will make it more difficult for patients to obtain medications necessary for a new course of therapy or ongoing maintenance. Patients who do not receive refills and miss doses of necessary medications could face deteriorating health, resulting in emergency room visits or worse. For patients on Medi-Cal, this could have an impact on state costs associated with patient's lack of access to needed medications.

The California Retailers Association is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, restaurants, convenience stores, supermarkets and grocery stores, chain drug, and specialty retail such as auto, vision, jewelry, hardware and home stores. CRA works on behalf of California's retail industry, which currently operates over 400,000 retail establishments with a gross domestic product of \$330 billion annually and employs over 3 million people—one fourth of California's total employment.

The National Association of Chain Drug Stores represents traditional drug stores, supermarkets and mass merchants with pharmacies. Chains operate over 40,000 pharmacies, and NACDS' over 80 chain member companies include regional chains, with a minimum of four stores, and national companies. Chains employ nearly 3 million individuals, including 157,000 pharmacists. They fill over 3 billion prescriptions yearly, and help patients use medicines correctly and safely, while offering innovative services that improve patient health and health care affordability.

For the reasons listed above, we must oppose AB 2983. Please do not hesitate to contact Jennifer Snyder or Lindsay Gullahorn with Capitol Advocacy at (916) 444-0400 if you have any questions.

Sincerely,



Rachel Michelin
President
California Retailers Association



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

cc: The Honorable Chris Holden, Author
Members, Assembly Appropriations Committee