



NATIONAL ASSOCIATION OF
CHAIN DRUG STORES

April 2, 2021

The Honorable Evan Low
Assembly Business & Professions Committee
State Capitol
Sacramento, CA 95814

Re: AB 1430 Prescription drugs: lockable vials – OPPOSE UNLESS AMENDED

Dear Chairman Low,

The California Retailers Association (CRA) and National Association of Chain Drug Stores (NACDS) write to register our “oppose unless amended” position on AB 1430, which will require pharmacies to dispense Schedule II prescription drugs in lockable vials.

As healthcare providers on the front lines of the opioid epidemic, the chain pharmacy community is strongly committed to combatting the scourge of opioid abuse plaguing the communities we serve. We are steadfast in our dedication to pursuing and implementing targeted and workable policy solutions to prevent misuse and abuse of prescription opioids. However, we are concerned that while well-intended, the lockable vial requirement outlined in AB 1430 would not serve this purpose. For this reason, we are opposed to the bill unless the lockable vial requirement is amended to be voluntary and the onerous administrative requirements are removed.

Requiring pharmacies to dispense Schedule II prescription drugs in lockable vials will do little to prevent theft and abuse of these controlled substances, all the while creating unwarranted and significant pharmacy workflow challenges. The bill would require pharmacies to stock the lockable vials and maintain patients’ combination codes for a locking-cap closure mechanism provided on a lockable vial. Notably, pharmacies do not have the systems in place to keep track of such patients' passcodes, and it would be impractical to add this functionality to pharmacy records systems.

Further, the bill may result in increased costs for pharmacies and ultimately patients. Although AB 1430 would require manufacturers to reimburse pharmacies for lockable vials, pharmacies would still incur costs through the process of periodically needing to seek that reimbursement and may be forced to frontload the cost of lockable vials as they wait to be reimbursed by manufacturers. In addition, this new requirement will take time away from patient care when pharmacies can least afford it. In this unprecedented time, our members and their pharmacy teams have risen to the challenge and provided millions of COVID-19 tests and vaccinations to patients throughout the country. CRA and NACDS have advocated removing barriers to care and assist our pharmacy teams during and beyond the current Public Health Emergency. Adding a new burdensome and costly requirement will only distract from these critical services our members are providing.

Additionally concerning, the bill also fails to extend the same liability protection against failure of a particular lockable vial to prevent unauthorized access and/or a particular patient's inability to access medication in a lockable via that is otherwise afforded to prescribers under the bill. This omission must be remedied.

Patients who are concerned about prescription drug pilfering already can purchase lockable vials where available. CRA and NACDS believe this is an appropriate option for consumers and should remain voluntary rather than a pharmacy mandate. Although we are opposed to AB 1430, we remain committed to working with the author and other policymakers on effective solutions to the opioid epidemic. We would be happy to remove our opposition to AB 1430 if the lockable vial mandate is made voluntary and if the requirement for pharmacies to maintain patients' combination codes is removed.

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 operates over 400,000 retail establishments with a gross domestic product of billions annually and employs millions of Californians.

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 155,000 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 these reasons, CRA and NACDS are opposed to AB 1430 unless it is amended as outlined above. Please do not hesitate to contact Jennifer Snyder or Lindsay Gullahorn with Capitol Advocacy at jsnyder@capitoladvocacy.com or lgullahorn@capitoladvocacy.com if you have any questions.

Sincerely,



Rachel Michelin, President
California Retailers Association



Steve C. Anderson, FASAE, CAE, IOM
President & Chief Executive Officer
National Association of Chain Drug Stores

cc: The Honorable Joaquin Arambula, Author
Members, Assembly Business & Professions Committee
Robert Sumner, Chief Consultant, Assembly Business & Professions Committee
Bill Lewis, Assembly Republican Caucus