

May 17, 2021

The Honorable Greg Abbott
Governor of Texas
P.O. Box 12428
Austin, Texas 78711-2428

Dear Governor Abbott:

Re: Support for H.B. 1763 – “Relating to the Contractual Relationship between a Pharmacist or Pharmacy and a Health Benefit Plan Issuer or Pharmacy Benefit Manager”

On behalf of the National Association of Chain Drug Store (NACDS) member companies operating in the state of Texas, I am writing to urge you to sign into law H.B. 1763, legislation that is crucial for the continued viability of retail community pharmacies in Texas.

NACDS supports the provisions of H.B. 1763 that help ensure that local Texas pharmacies may be fairly and properly reimbursed for the prescription medications they provide and associated pharmacy services such as preventive treatments, immunizations, and helping patients access and take their medications accurately and safely. Local community pharmacies have been recognized as critical resources for patient healthcare, and more so during the nationwide pandemic and public health emergency. Local community pharmacies continue to serve among the health care providers on the front lines who are defeating COVID-19.

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. This places many pharmacies' mere existence in severe jeopardy. NACDS supports provisions to require that all pharmacies be fairly and properly reimbursed. Doing so would provide patients with equal access to all network pharmacies and should help all Texans continue to receive care from the pharmacy of their choice.

We also support provisions to require that the terms of pharmacy contracts be clearly defined, especially with respect to drug pricing and prohibiting the claw back of pharmacy reimbursement after a claim has been adjudicated at the point of sale. Pharmacy reimbursement contracts should be clear, objective, and consistent with ensuring patient access to the pharmacy of their choice.

Thank you for the opportunity to share our perspectives on H.B.1763. Again, I urge you to sign this important legislation to protect all Texans' access to pharmacy care from the pharmacy of their choice, including local retail community pharmacies.

Sincerely,



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