

To Chair Greenlick and Committee Members:

My name is Maralee M. Trotter and I am an Oregon Registered Pharmacist from Springfield who is very concerned about the stranglehold that PBMs have on the provision of pharmacy services to all Oregonians. PBMs are responsible for the demise of many of the independent community retail pharmacies in my area of the Willamette Valley. I have personally known and/or worked in twelve pharmacies in Eugene/Springfield and outlying areas that survived competition and poor economic conditions only to fall victim to the predatory, unregulated business practices of the PBMs. As the percentage of patients with third-party coverage increased in these pharmacies and the PBMs gained strength and began their current practices; these pharmacies could no longer afford to pay their wholesalers twice a month when they didn't get paid for up to 90 days after dispensing a prescription and then the payment didn't even cover the cost of the medication. I may not have been involved in so many of these closures except that I specifically worked in the independent community retail pharmacies because of my family background. Now every pharmacy, chain or independent, is in danger and, therefore, so are their patients.

PBMs are out-of-state entities whose primary interests are not centered around the welfare of Oregonians or Oregon communities. The twelve pharmacies that were lost were Oregon employers who supported their communities through community service as well as money (the wages they paid, their profits and their taxes were re-circulated into the Oregon economy). Every one of the lost pharmacies already utilized computer software that protected the safety of the patient. The ad campaign currently blitzing Oregonians implies that PBMs are protecting Oregon employers and the employers' ability to keep pharmaceutical costs down. All one has to do is look at the Forbes magazine 2012 list of top-paid CEO's to see a totally different story. Express Scripts paid their CEO 51-52 million dollars annually to make him the sixth highest paid CEO in the country. Medco's CEO was #47 with 22.17 million dollars annually and CVS Caremark's CEO was down the list at #104 with "only" 15.03 million dollars annually. How much of those salaries do you suppose came back into the Oregon economy? PBMs are obviously big money entities and those costs are added to the cost of providing pharmacy services to Oregonians. No wonder PBMs have mounted a large-scale advertising campaign against any attempt to regulate their activities or make them more transparent and have their lobbyists pouring into our state.

Most people have no idea about how pharmacies are reimbursed by third party insurers or the power that PBMs hold. So they have no clue why pharmacies are so upset about the practices of the PBMs. That is what these high-paid Goliaths count on. They want to portray the pharmacies as self-serving businesses that are out for all the money they can get, when in reality the pharmacies are fighting for survival and the protection of their patients. Especially in the small rural communities of Eastern Oregon, the pharmacy's patients are their neighbors and friends for whom the owners and pharmacists care deeply. Even in the larger cities with mostly chain drugstores, each pharmacy usually develops a core group of patients and gets to know them very well. These patients are not unknown "numbers" to the pharmacies, they are people. The people that the pharmacies serve every day by providing pharmacy services with face-to-face encounters to make sure that the medications dispensed will be used in a manner that will help the patient, not harm them.

There is money to be saved to lower premiums and lower health care costs, but the place this money exists is NOT in the pharmacies. It is in the PBMs. Enacting legislation to regulate the PBMs is the way to gain access to that money by reducing the PBM profits that are being taken from the available Oregon health care dollars. Please don't penalize Oregon employers (which include Oregon pharmacies) by not enacting HB 2123. This is an important bill that will protect the patients' access to pharmacy services from local pharmacies while leveling the field by shining light on the practices of this highly paid level of bureaucracy that is the PBM level. Think how many Oregonians can have access to local pharmacies for 51 million dollars annually.

Maralee M. Trotter, RPh
Trotter Consulting, LLC
(541)746-7508 (leave message)
(541)913-8711 cell
maraleetrotter@rioussa.com