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**Testimony on an act relating to pharmacy benefit management and Medicaid
wholesale drug distribution to House Health Care Committee**

Mary Kate Mohlman

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Madame Chair, Members of the Committee,

Thank you for the opportunity to submit written testimony in support of H.233, an act relating to pharmacy benefit management (PBM) and Medicaid wholesale drug distribution. I write on behalf of Bi-State Primary Care Association's members.

Bi-State Primary Care Association is a nonprofit organization established in 1986 to advance access to comprehensive primary care and preventive services for anyone regardless of insurance status or ability to pay. Today, Bi-State represents 28 member organizations across both Vermont and New Hampshire. Our members include Federally Qualified Health Centers (FQHCs), Vermont Free and Referral Clinics, and Planned Parenthood of Northern New England.

PBMs claim to help lower drug costs by using their purchasing power to negotiate lower rates for drugs. However, I have heard from several of our members that their actions often result in increased administrative burden and decreased transparency. For example, FQHCs must manage significant inconsistencies due to frequent price changes, fluctuation in drug coverage, and a lack of communication and explanation for the policies and changes.

Through this lack of consistency, PBMs create a "black box" environment in which providers are constantly trying to keep up with week-to-week changes to coverage and pricing for patients. While this environment is difficult for providers to navigate, it creates further confusion and angst for patients. FQHC pharmacists and providers constantly struggle to explain these changes to their patients and that what occurs is out of the health center's or pharmacy's control.

The goal of any FQHC with multiple service lines, including pharmacy, is to provide integrated care to the patients. The Northern Tier Center for Health (NOTCH) is an example of an FQHC that has an integrated pharmacy in the health center. Their pharmacists work directly with the providers and clinical support staff to address questions, conduct medicine reconciliation, and identify alternative solutions in a way that other organizations not integrated with a pharmacy might struggle with. Their goal is to provide a coordinated and seamless experience for patients receiving both health care and pharmaceutical services. The PBM's inconsistent and changing policies make this difficult to achieve.

H. 233 would provide relief to organizations like NOTCH and will provide even greater relief to organizations less integrated with pharmacies. The bill would eliminate many barriers FQHCs and pharmacies face daily and allow their patients to receive more transparent and consistent care.

Thank you again, and I am available for further questions.