

House Committee on Health Care – February 28, 2024  
Draft No. 1.1 H-233  
(2/29/2024 – JGC – 6:06 PM)

An act relating to pharmacy benefit management and Medicaid wholesale drug distribution strike-all amendment

The Vermont Pharmacists Association (VPA) and the Rutland Pharmacy (RP) strongly support this version of the bill and thank the committee for its hard work and attention to these important issues. We have three language suggestions on this draft that we hope the committee will consider adopting before passage:

- 1) Re: Page 22 of 33, Lines 16-19 – the first sentence of the paragraph at former Sec. 3631 (e) should not be stricken and was crossed-out inadvertently, please restore that sentence;
- 2) Re: Page 29 of 33, Lines 13-16, please consider adding the Vermont Pharmacists Association to the Working Group; and
- 3) Re: Page 30 of 33, Lines 3-4, given you have deleted the dispensing fee language earlier in this draft, please consider adding a new (3) for the distribution program requirements that reads “will provide for fair and adequate remuneration to pharmacists and pharmacies.”

It may be useful to note that considerable work has already been done on the wholesale acquisition topic in Vermont that the Working Group will be able to benefit from, including the analysis and report by the Department of Vermont Health Access (DVHA) that saw “value in continuing to explore potential opportunities with wholesalers.” [Sec.11a-Act-193-Prescription-Drug-Cost-Savings-and-Price-Transparency.pdf \(vermont.gov\)](#) and a report required under Act 133 of 2018 on a possible wholesale importation model <https://legislature.vermont.gov/assets/Legislative-Reports/AHS-12-31-2018-Wholesale-Importation-of-Drugs.pdf>

Adequately resourced, the Department of Financial Regulation (DFR) would be a good fit to coordinate the Working Group in this bill. The Working Group could contrast the wholesale model with existing system(s) in terms of cost savings and increased access to consumers as part of DFR’s regulatory oversight. Private entities are already expanding in the streamlined wholesale acquisition space including Mark Cuban’s Cost-Plus Drugs, Amazon, & JPMorgan. The Vermont Pharmacists Association and Rutland Pharmacy think that, upon careful examination, a wholesale program in Vermont will prove to streamline drug acquisition, supply, and distribution, reduce systemic and consumer costs, increase access and sustain high quality care by allowing pharmacists to focus on the clinical practice of pharmacy rather than being subject to the business vagaries of the current drug marketplace. Let’s please not abandon looking seriously at this potential cost-savings model for Vermont and keep the Working Group in this bill.

Respectfully Submitted,

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On behalf of the Vermont Pharmacists Association and Rutland Pharmacy

