



To: The House Health Care Committee
From: Lauren Bode and Ryan Quinn, Vermont Pharmacists Association
Date: February 3, 2026
RE: H.577, Establishing the Vermont Prescription Drug Discount Card Program

The Vermont Pharmacists Association (VPA) is the only statewide association representing the interests of all pharmacists in Vermont. VPA provides continuing education, fosters networking opportunities, and advocates for a forward-looking legislative agenda that supports both the profession of pharmacy as well as the health of Vermonters.

VPA strongly believes that ensuring Vermonters have access to affordable prescription medications is essential to high-quality health care. Vermont pharmacists support medication affordability and routinely provide patient care services that extend well beyond the dispensing prescriptions. Independent community pharmacies in particular help lower prescription costs by offering competitive cash pricing for many medications.

As noted in prior testimony, ArrayRx is described as utilizing a maximum allowable cost (MAC) pricing strategy intended to support fair pharmacy reimbursement. Testimony has also indicated that pharmacies negotiate reimbursement rates directly and that participation would not require pharmacies to absorb additional fees or dispense medications at a loss. Under this model, pharmacies are intended to be reimbursed for both the acquisition cost of the medication and a dispensing fee, which could allow pharmacies to participate with greater confidence.

However, VPA remains concerned about the impact of H.577 on Vermont pharmacies, especially independent community pharmacies. While the pricing formula for ArrayRx has not yet been clearly explained, similar discount card programs often result in neutral or negative reimbursement for pharmacies. In many cases, pharmacy benefit managers earn more from these transactions than the pharmacies that dispense the medications.

VPA met with representatives from ArrayRx prior to last week's testimony. Based on those discussions, we understand that pharmacies remit a fee to ArrayRx that is incorporated into the patient's payment and intended to offset administrative costs. Even with this understanding, questions remain about how ArrayRx differs from other drug discount card programs currently available. VPA would be better positioned to comment more specifically on this proposal once our outstanding questions are addressed, particularly regarding their pricing structure and participation requirements. VPA would also be more comfortable with this proposal if participation in ArrayRx were voluntary should H.577 be enacted.

Thank you for giving us the opportunity to testify on this issue. We appreciate your time and consideration, and we welcome any questions or follow-up conversations.