February 9, 2018

The Honorable Mitch Greenlick, Chairman
House Committee on Health Care
Oregon House
900 Court St NE, H-472
Salem, OR 97301

Re: House Bill 4103 – Support

Dear Representative Greenlick,

My name is Kevin Russell. I am a pharmacist and manage the outpatient pharmacy operations for Samaritan Health Services. Samaritan has a Mid-valley service area ranging from Sweet Home, to Lebanon, through Albany & Corvallis, and out to the Central Oregon Coast. I am also representing the Oregon Pharmacy Coalition.

This bill is about access. Patients in Oregon are losing their ability to get their medications in the way they need them. Mail restrictions are also preventing effective medication management for patients.

Incorrect use of medications is one of the leading causes of poor disease outcomes, hospital admissions, and people having to move to assisted living facilities. At Samaritan we are taking a holistic approach by working with patients to address medication issues wherever we find them whether it is in the doctor's office, in the hospital, at the pharmacy, or in their home.

At Samaritan, our community pharmacists are playing an increasing role to educate patients, coordinate care, and provide access to the critical medications they need. Unfortunately, we are often running into a problem: mail order mandates and restrictions are creating barriers to access and good medication management.

We have identified patients with serious medication issues and have gone on home visits and found where patients have a kitchen table full of drugs, most of which they should not be taking, yet they come through the mail month after month to their home. With all those drugs, people get confused and take the wrong thing. We have developed a program to enroll these patients with our pharmacy and pharmacists to coordinate care with their doctor to ensure they are on the optimal medications and only get what they

need to be taking. We then follow up to make sure they are taking their medications correctly.

However some patients cannot go to our pharmacy, their PBM mandates mail order only. They cannot use our service even though they desperately want to. This is not only a barrier to good care, it costs insurers more money as they will continue to pay for medications the patients don't need or use and will pay more again when they are hospitalized due to medication mismanagement. Mandating patients to use mail order needs to end.

A new access problem is PBMs preventing our pharmacies from mailing to our own patients. Yes, I just talked about how mail order can be bad, but it is also can be a tool that provides critical access. Samaritan has patients who live in remote locations or are home bound and need their medications mailed or delivered. They also need the extra services, expertise, and care coordination our pharmacies can offer. But, PBMs have changed our pharmacy contracts prohibiting mailing prescriptions, essentially preventing the pharmacies in our own health system from serving our most vulnerable patients.

I want to tell you a story. In November 2016, we discharged an elderly patient, lets call her Margaret, from our hospital following a stroke. We filled her anticoagulation drug at our outpatient pharmacy and delivered it to her bedside with consultation. Over the next several weeks our anticoagulation pharmacist monitored Margaret's blood and recommended dosage adjustments, each time they coordinated seamlessly with our pharmacy. Margaret could not drive so we mailed a small supply of dose changes to her home in Yachats and we continued to mail medication and make changes when prompted by our anticoagulation clinic. Starting in January 2017, Margaret's PBM notified us that they had amended our contract and we would be in breach if we mailed any medication to her or any of our other patients using that PBM. They limited coverage to walk in business only- their mail order pharmacy must fill any mailed prescriptions. Our anticoagulation pharmacist arranged for the patient to get medication through the PBM mail order, but there were endless problems. She ended up getting the wrong strength, then she paid for 90 days supply when she only needed 14, and she went without medicine several times. Our anticoagulation pharmacists lost the visibility to know when and what she was being sent and it was a difficult problem to fix. Finally, I got a desperate phone call from our anticoagulation director- Margaret needed a different medicine again quickly, could I arrange to fill it now and overnight it? Sure, but her PBM would not pay for the drug if we mailed it and the drug was $1000. So what did we do? We ended up driving it to her in Yachats.

However, limits on delivery are next. I am hearing reports from other states where PBMs are even preventing delivery. PBMs practice of prohibiting local mail and delivery needs to end. Pharmacists need to be able to get patients their medications in the way that is in the best interest of the patient.

I would like to address specialty drugs and specialty pharmacies. There are drugs which require special expertise, facilities, or programs to assure patient safety and the best outcomes. PBMs and insurers should have the ability to restrict these drugs to specialty pharmacies and they should be able to assure specialty pharmacies meet quality standards through accreditation. The proposed amendments allow for that.

However, some drugs that can be dispensed safely and effectively through community pharmacies are just restricted due to cost alone. They are often directed to pharmacies owned by PBMs. PBMs are restricting access so that they can keep this lucrative revenue for themselves. This unnecessarily fragments care and creates safety problems for patients. We have seen hospitalizations due to this exact problem.

So when is restriction appropriate? The Academy of Managed Care Pharmacy tackled this and came up with an excellent definition of a specialty drug, which has been added to the amendment of this bill. It defines the specific "difficult and unusual" situations where specialty designation of a drug may be needed. I will add that the Academy of Managed Care Pharmacy is the national pharmacy professional organization that serves health plans, pharmacy benefit management businesses, emerging care models, and government." So this definition comes from the PBM's own association.

In conclusion, current PBM mail order restrictions are creating medication access problems for Oregon patients and preventing progressive pharmacists and healthcare systems from providing the best care available to our patients. I am requesting your support of HB 4103, which will help us get back to providing innovative care for our patients.

I would like to add that amendment we are proposing to the mail order language helps to address network and cost concerns as well as the need for language inclusive of specialty pharmacy and need for specialty accreditation. The amendments suggested by our colleagues at Ardon Health would also be welcome.

Sincerely,

Kevin Russell RPH, MBA, BCACP
Outpatient Pharmacy Operations Manager
Samaritan Health Services, Suite 102
3521 NW Samaritan Dr.
Corvallis, OR 97330
541-768-6095