

**STATE OF CONNECTICUT
HUMAN SERVICES COMMITTEE**

**SB 843, AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING SOCIAL SERVICES**

**HB 6379, AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING MAXIMIZATION OF PHARMACY
REBATES**

March 3, 2009

Statement of the American Society of Consultant Pharmacists

Rep. Walker, Sen. Doyle and members of the Human Services Committee, thank you for the opportunity to speak with you today. My name is Larry Sobel and I am testifying today as the President Emeritus of the American Society of Consultant Pharmacists (ASCP).

ASCP empowers pharmacists to enhance quality of care for over 30,000 of the state's most frail citizens through the appropriate use of medication. Our expertise lies in geriatric pharmacotherapy and the unique medication related needs of seniors and long-term care residents and we are patient-centered advocates for seniors at risk for medication related problems. In essence, we ensure that patients in Connecticut's nursing homes, group homes and other long-term care settings are getting the appropriate medication and care that they deserve.

The Governor's proposed budget for the Department of Social Services proposes severe cuts to pharmacy within the state. These proposed changes lessen the reimbursement rates to pharmacists, lessen the dispensing fees to pharmacists, eliminate coverage for most over-the-counter drugs under Medicaid and offer several other troubling initiatives. For example, eliminated access to Benzodiazepines (Valium, Ativan) will just shift those costs to more expensive alternatives which are covered.

In sum, the following cuts to pharmacy were included in the Governor's proposed budget:

- AWP reimbursement to AWP -15% (from minus 14%)
- Dispense fees to \$2.15 (from \$3.15)
- MAC: AWP - 50% (from AWP minus 40%)
- Co-pays for Medicaid services (capped at \$20 per month for pharmacy services)
- Discontinue payment for non-formulary drugs under Medicare Part D
- Eliminate coverage of most OTC drugs under Medicaid
- Put mental health related drugs on Preferred Drug List
- Require Prior Authorization for high cost drugs

- Tighten early refill criteria under DSS pharmacy programs

These proposed cuts would be devastating to an industry that has been continuously cut from the state budget for the past decade and has not had a fee increase in over 20 years. Coupled with the increasing cost of doing business within the state, these cuts would put a severe financial strain on many pharmacies. Pharmacists are still the most easily accessible health care professional. However, with fewer dollars there are fewer professionals and therefore fewer services.

I thank you for your time and attention and would be happy to entertain any questions at this time.

Thank you.