



**Testimony Before the Insurance and Real Estate Committee  
February 9, 2021**

**Regarding**

**SB 842 AN ACT CONCERNING HEALTH INSURANCE  
AND HEALTH CARE IN CONNECTICUT**

Sen. Lesser, Rep. Wood, Sen. Hwang, Rep. Pavlock-D'Amato and members of the Committee:

Thank you for this opportunity to provide testimony regarding SB 842. The Connecticut Pharmacists Association represents more than 1,000 pharmacists, technicians, and students across all sectors of the pharmacy profession in Connecticut.

The Connecticut Pharmacists Association shares the goals of the legislature to provide Connecticut residents more affordable, high-quality health care. Issues of transparency for pharmacy benefit managers and new insurance options for patients hold promise to ensure broad coverage and reduce costs. However, we are concerned about the potential adverse impact of several elements of this proposal on Connecticut's pharmacists and their patients.

**PBM LIMITS PATIENT CHOICE AND ACCESS**

First, we are concerned that the proposed plan will severely damage the pharmacy industry in the state, and particularly the shrinking number of independent pharmacies. By folding a public option directly into the state employee health plan, the proposal fundamentally hands control of the pharmacy benefit of thousands of new customers to the pharmacy benefit manager (PBM) for that plan.

Large PBMs have already proven to direct patients to their self-owned pharmacies and mail order services. Independent pharmacies have been a mainstay of the individual and small group insurance markets, and this proposal will inevitably cut them out of the plan by directing small businesses and other patients away from independent pharmacies towards powerful national chains. This will not only limit patient choice but may, indeed, force patients in Connecticut's more rural "pharmacy deserts" to travel long distances in order to get their medicine.

Any public healthcare option should ensure complete and full access at any pharmacy in Connecticut and explicitly forbid the PBM running the pharmacy benefit to track patients toward its own pharmacies or other delivery channels.

**IMPORTATION PUTS PATIENTS AT RISK**

Second, previous public option proposals have included a plan to import certain prescription drugs from Canada. And while the current bill does not do this explicitly, it is important to note that this is not a safe way to attempt to reduce drug prices and it puts Connecticut's patients at risk.

Any importation program would need to clarify which drugs would be excluded, as well as labeling, track and trace, testing, and other compliance requirements, all of which add to the ultimate cost of the imported drugs. And an importation program would undermine the safeguards that are in place to ensure that prescription drugs are manufactured, stored, shipped

and dispensed. This would have a negative effect on patient confidence in the safety of their medications.

- **Importation jeopardizes patient safety.**

Decades of federal and state laws have created patient safety and drug supply chain protections to ensure that the drugs that we provide to patients are safe. The proposed program would bypass these protections and create supply chain vulnerabilities. Counterfeit or unsafe drugs could be introduced in these gaps in the supply chain, putting patients at an increased risk.

- **Importation undermines the Drug Supply Chain Security Act (DSCSA), also known as “the track-and-trace law.”**

Pharmacists and other drug supply chain stakeholders have been working for years to implement DSCSA, which creates a closed supply chain to track and trace prescription drugs as they move from manufacturer to distributor to pharmacist. These same safeguards do not exist in Canada. Importation creates a patchwork of interim supply chain measures that introduce gaps and loopholes in the supply chain as drugs are distributed from Canada into the U.S. Pharmacies have invested time and money to put DSCSA systems in place.

- **Importation would create pharmacy operation disruptions that could introduce barriers to access that may compromise patient safety.**

If importation were enacted, FDA-approved and Canadian versions of the same drug would be commingled in the marketplace. With already limited shelf space, and time spent on managing inventory, introducing these foreign products onto Connecticut’s pharmacy shelves would interfere with pharmacy operations. Further, importation would create product selection confusion, with questionable interchangeability between products, and the pharmacist may not know which version of the drug to dispense to patients. Access to medication could be limited if a patient’s plan dictates dispensing one version and a pharmacy only has the other. It would also complicate insurance coverage and reimbursement at the pharmacy.

- **Importation would fail to produce significant cost savings to Connecticut consumers.**

As a result of additional steps in the supply chain, such as relabeling and laboratory testing requirements, it is highly unlikely that there will be a significant cost savings to Connecticut consumers. The need for additional track-and-trace, recall, and adverse event reporting systems will further increase costs associated with the importation program. The lack of clarity around unknown, unproven cost savings does not justify jeopardizing Connecticut’s supply chain integrity and patient safety.

Thank you for your time and consideration. As always, CPA is ready and able to provide more information and insight concerning these issues, and look forward to working with you to create a safe and equitable pharmacy environment in the state.

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