



CONTACT YOUR SENATOR TODAY!

Save Pharmacy--Make Reimbursements Transparent

Key Legislative Priority Dealing with "Maximum Allowable Cost" Legislation Goes Before Senate Health & Welfare Committee on Wednesday.

Summary of "Maximum Allowable Cost" Legislation (SB 125)

The Kentucky Pharmacists Association has worked with other partners to have legislation introduced to address "Maximum Allowable Cost." SB 125 addresses the mechanism by which pharmacy benefit managers (PBMs) establish pharmacy reimbursement for generic drugs. It requires **transparency** as to how these prices are determined and requires **notice to pharmacies** when changes in reimbursement are made. **The bill basically requires PBMs to let pharmacies know how much they will be reimbursed for generic drugs both specifically and on the average.** The bill also requires PBMs to make **timely adjustments** to the pricing as fluctuations occur in the generic drug marketplace. It requires PBMs to establish an **appeals process** and requires PBMs to respond to appeals in a **timely** manner (7 days). Another key provision is the requirement that **Medicaid managed care organizations provide pricing information to pharmacies** just as the traditional Medicaid program has historically done—something we have all identified as a problem that needs to be remedied as soon as possible since the transition to managed care in November.

The complete bill can be located on KPhA's web site under the Communications Link.

IMPORTANT: IS YOUR STATE SENATOR ON THIS LIST?

IF SO, CONTACT YOUR SENATOR TODAY AND ASK HIM/HER TO SUPPORT SB 125.

Be sure to personalize your message and describe how this bill will impact you!

If you know your State Senator personally, call 502.564.8100 and use the extension listed after his/her name. Or you can call your Senator at 1-800-372-7181 and leave a message with the switchboard operator.

- Senator Julie Denton (R), Chair.....Extension 646
- Senator David Givens (R), Vice Chair.....Extension 624
- Senator Joe Bowen (R).....Extension 662
- Senator Perry B. Clark (D).....Extension 715
- Senator Alice Forgy Kerr (R).....Extension 625
- Senator Joey Pendleton (D).....Extension 622
- Senator Tom Buford (R).....Extension 610
- Senator Denise Harper Angel (D).....Extension 633
- Senator Dennis Parrett (D).....Extension 645
- Senator Katie Kratz Stine (R).....502.564.3120

If you have questions about this *Advocacy Alert*, please contact KPhA's Executive Director, Robert McFalls, at 502.227.2303 or via email at rmcfalls@kphanet.org.