

March 21, 2023

The Honorable James Wood, DDS, Chair
The Honorable Marie Waldron, Vice-Chair
Assembly Health Committee
Legislative Office Building
1020 N St
Sacramento, CA 95814

RE: SUPPORT FOR ASSEMBLY 317 – PHARMACIST SERVICE COVERAGE

Chair Wood, Vice Chair Waldron, and Members of the Health Committee:

We thank you for the opportunity to submit testimony on **ASSEMBLY BILL 317**, a bill that increases patient access to their pharmacist by allowing them to receive reimbursement for the services they provide. We **support** this bill as it will ensure patients have more time with their most accessible health care professional and better aligns the role of the pharmacist with their extensive education and training.

NCPA represents the interest of America's community pharmacists, including owners of more than 19,400 independent community pharmacies across the United States and 1,837 independent pharmacies in California. These California pharmacies filled over 115 million prescriptions last year, impacting the lives of thousands of patients in your state. Over 90% of Americans live within five miles of a community pharmacy,¹ and more than any other segment of the pharmacy industry, independent community pharmacies are often located in underserved rural and urban areas.

Within the next 10 years, the U.S. could see a shortage of over 55,000 primary care physicians.² In California there are 662 areas that are designated as health professional shortage areas.³ There are thousands of pharmacists in California who are ready to provide valuable healthcare services to these communities that have limited access to care.⁴ By realigning financial incentives and reimbursing pharmacists for their services similar to other health care professionals there will be greater access to the vital health care services pharmacists provide.

¹ NCPDP Pharmacy File, ArcGIS Census Tract File, NACDS Economics Department.

² Association of American Medical Colleges. 2019 UPDATE The Complexities of Physician Supply And Demand Projections From 2017 To 2032. Available at: https://aamcblack.global.ssl.fastly.net/production/media/filer_public/31/13/3113ee5c-a038-4c16-89af-294a69826650/2019_update_-_the_complexities_of_physician_supply_and_demand_-_projections_from_2017-2032.pdf

Kaiser Family Foundation. Primary Care Health Professional Shortage Areas (HPSAs). Timeframe: as of September 30, 2019. Available at: <https://www.kff.org/other/stateindicator/primary-care-health-professional-shortage-areashpsas/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>.

⁴ Bureau of Labor Statistics. Occupational Employment Statistics Query System. Available at: <https://data.bls.gov/oes/#/home>.

To the benefit of this realignment, substantial published literature documents the significant improvement to patient outcomes⁵ and reduction in health care expenditures⁶ when pharmacists are more optimally leveraged. Compilation of studies have found themes in these cost savings, including “decreased total health expenditures, decreased unnecessary care (e.g., fewer hospitalizations, emergency department [ED] visits, and physician visits), and decreased societal costs (e.g., missed or nonproductive workdays).”⁶ The adoption of Assembly Bill 317 would result in California joining other states, such as Tennessee, New Mexico, and Washington as national leaders in empowering the pharmacist to better provide valuable services to their communities. In states where such legislation has already been implemented, we are observing health plans, notably Medicaid Managed Care Organizations, recognizing the value of the pharmacist and investing in the services they provide.

As you may be aware, many of our community pharmacies, especially those in rural communities⁷, are closing because of the current unsustainable reimbursement model in the drug supply chain. This often hits Mom-and-Pop independent pharmacies the hardest and can cause the elimination of a needed healthcare professional and cornerstone of our communities. The reimbursement of services provided by pharmacists opens up additional revenue opportunities for these pharmacists to maintain their practice and the provision of valuable services to our communities.

Assembly Bill 317 will ensure more patients have greater access to health care services provided by pharmacists while supporting the sustainability of local pharmacies in our communities. The adoption of this important legislation will ensure that citizens across the state of California and are able to receive vital health care services provided by their pharmacist.

NCPA strongly supports the California Pharmacists Association in their advocacy for this bill. We appreciate the bill’s sponsor, Assembly Member Weber, for her attention to this important issue and urge approval from this committee.

Sincerely,



Belawoe Akwakoku
Manager, State Government Affairs
National Community Pharmacists Association

⁵ Giberson S, Yoder S, Lee MP. Improving Patient and Health System Outcomes through Advanced Pharmacy Practice. A Report to the U.S. Surgeon General. Office of the Chief Pharmacist. U.S. Public Health Service. Dec 2011. Available at:

https://www.accp.com/docs/positions/misc/improving_patient_and_health_system_outcomes.pdf

⁶ Murphy EM, Rodis, JR, Mann HJ. Three ways to advocate for the economic value of the pharmacist in health care. Journal of the American Pharmacists Association. August 2020. Available at: <https://www.sciencedirect.com/science/article/abs/pii/S1544319120303927>

⁷ Hawryluk M. Large parts of rural America are becoming drugstore deserts. These small towns found an escape. *The Washington Post*. Published December 15, 2021. Available at <https://www.washingtonpost.com/business/2021/12/03/drugstore-deserts-rural-america/>