



3/6/2025

Matt's Local Pharmacy
88 East Main Rd
Middletown RI 02842

My name is Matthew Olivier and I opened Matt's Local Pharmacy January 2018. There were more than double the number of independent pharmacies at that time. In just 7 years I have seen the following pharmacies close: Green Line Apothecary, Bakers Pharmacy, Newport Prescription Center, Phred's Drug, Blackstone Pharmacy, Wakefield Prescription, Van Eeghen's, Simpsons Pharmacy, Howell Smith pharmacy.

I want to make sure you are aware of the most recent, unfair position my pharmacy and I are being forced into by the PBM's. New contracts for 2025 (which are nonnegotiable) have required me to accept a loss of \$38/ prescription for almost all of my patients taking a very common drug called Eliquis. This drug is unavailable for the paid amount of \$536.20 to ANYONE. Blue Cross of Rhode Island (Express Scripts) is the biggest offender, CVS Caremark is #2. In December I had 82 patients on this medication. Quick math shows a loss of \$3,116/month on just this medication alone. I am seeing this problem across the board with more prescriptions than ever. I am required to fill these prescriptions and lose money, as a result I am at a very high risk of closing my doors to my Newport community.

We are an essential component to the health and wellness of so many people in the area. I am scared for my business, my patients, my staff and my job. This is an unfair business practice from some of the wealthiest companies in the country.

I would also like to emphasize the important role independent pharmacies play within the community that you will not find with big box chain pharmacies. We offer prescription delivery, walk-in vaccinations, same day hospice deliveries, medication organization and packaging.

We get calls from frustrated patients who cannot get their "big box" pharmacist on the phone for help almost every day. We hear how inaccessible pharmacists have become, and how appreciative they are for our work within the community.

Every day we see prescriptions that are paid below acquisition cost by the PBM's. We lose money on an incredible number of prescriptions daily, which will eventually put us out of business. If we choose not to dispense these medications, despite the exorbitant loss, the PBM will cancel our contract and effectively cancel over 30% of our prescriptions and put us out of business.

The pricing system is broken within pharmacy, but a transparent, sustainable solution has been adopted already by many states across the country, including Arkansas, Georgia, Iowa, Kansas, Kentucky, Louisiana, Michigan, Mississippi, North Carolina, and Ohio.

NADAC pricing provides a transparent reimbursement benchmark based on National Average Drug Acquisition Cost. To emphasize, this is not the highest cost, or "whatever cost" the pharmacy purchases. This is data which is aggregated nationally from millions of prescriptions from various pharmacies such as retail, chain, etc. to create an accurate ingredient cost.

NADAC pricing ensures the pharmacy will get paid for what the average cost is for the medication in contrast to the non-transparent practices currently being used by Pharmacy Benefit Managers.

The pricing given to us in the "take it or leave it contracts" don't exist, we are set up to fail. The PBMs control what patients we see, what pharmacies and doctors are in network, how much the patient pays for a drug and how much we are going to get paid from these same PBMs. They are judge and jury and we cannot negotiate in this out of control system we find ourselves in.

We account for a very small percent of prescriptions dispensed in the state of Rhode Island but our impact is much bigger.

Support H 5254

Matthew Olivier