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**Statement of LuGina Mendez-Harper, Pharm.D., R.Ph.
Government Affairs Principal
Prime Therapeutics
Senate Bill 351
Senate Financial Institutions and Insurance Committee
February 13, 2018**

Chairman Longbine, Vice Chair Billinger, and Committee Members:

Thank you for the opportunity to submit written comments and speak with you today.

My name is Dr. LuGina Mendez-Harper. I am a pharmacist with Prime Therapeutics and a proud graduate of the University of Kansas College of Pharmacy.

Prime Therapeutics is a not-for-profit pharmacy benefit manager (PBM) owned by 17 Blue Cross Blue Shield plans including Blue Cross Blue Shield of Kansas (BCBS-KS).

I am here today to respectfully oppose and express concerns with Senate Bill 351 as drafted.

- 1) We are in opposition to tying pharmacist reimbursement to what the member pays at the point of sale. Pharmacist reimbursement is a contractual matter between the pharmacy and PBM on behalf of the health plan or employee group.**
 - a. Language limiting adjustment of reimbursement after a claim has been adjudicated interferes with performance based networks. The health care industry, including pharmacy, is moving toward paying for quality and positive patient outcomes not just the cost of medicines.**
 - b. All reimbursement mechanisms and fees are agreed to in the contract the pharmacy or its Pharmacy Services Administration Organization (PSAO) and the PBM. This legislation would in effect release a business from its contractual obligations.**
 - c. Most importantly, the only information relevant to patients is the cost of the medicine using their insurance and the cash price.**

