

February 5, 2025

RE: DHCS-19-002 – PHARMACIST SERVICES

To the Department of Healthcare Services:

We thank you for the opportunity to submit comments on the regulations concerning Assembly Bill 1114 (2016) Pharmacists Services and Medication Therapy Management (MTM).

NCPA represents the interest of America's community pharmacists, including owners of more than 19,400 independent community pharmacies across the United States and 1,829 independent pharmacies in California. These California pharmacies filled over 109 million prescriptions last year, impacting the lives of thousands of patients in your state.

Within the next 10 years, the U.S. could see a shortage of over 55,000 primary care physicians.¹ In California there are 662 areas that are designated as health professional shortage areas.² There are thousands of pharmacists in California who are ready to provide valuable healthcare services to these communities that have limited access to care.³

AB 1114 was an important step in expanding patient access requiring the state's Medicaid program, Medi-Cal, to reimburse for pharmacy services and MTM at 85% of the fee schedule for physician services, however, the cap placed on pharmacy services has stunted the growth of implementation of these services within community pharmacies. Immunization programs through community pharmacies have been immensely successful with pharmacists providing more than half of immunizations nationwide, more than 270 million COVID-19 vaccinations as well as 50 million influenza and other immunizations annually. The services outside of immunizations have not been adequately reimbursed, which has resulted in only 1 in 5 pharmacies within California having provided these additional services.

Pharmacists are ready and willing to provide all the services within their scope of practice, but there must be a sustainable reimbursement model that allows them to provide care and maintain their business. There must be greater transparency from Managed Care Organizations (MCO) in contracts, billing, and the adjudication of claims. We hope that DHCS can mandate uniform contracting requirements for MCO's which will establish standards of contracting with pharmacists to prevent gaps in coverage for beneficiaries. Additionally, MCO's should publicize detailed reimbursement guidance and provide a point of contact for pharmacist services inquiries for pharmacies wanting to contract and bill for services.

¹ 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>.

³ Bureau of Labor Statistics. Occupational Employment Statistics Query System. Available at: <https://data.bls.gov/oes/#/home>.

Improved payment pathways result in greater patient access and California will join other states, such as Virginia, Texas, Wisconsin, 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. Increased utilization of pharmacists' services has improved patient outcomes and reduced overall healthcare costs. Systematic reviews have indicated positive returns on investment when evaluating broader pharmacist services, with up to \$4 in benefits for every \$1 invested in clinical pharmacy services.⁴ For pharmacies to continue to be an integral part of the nation's healthcare system, there must be adequate and timely reimbursement to deliver vital healthcare services.

NCPA is appreciative of the DHCS's welcoming public comment on this important matter. We urge the Department of Healthcare Services to approve regulations that remove barriers to reimbursement and provide greater transparency from payers.

If you have any questions about the information contained in this letter or wish to discuss the issue in greater detail, please do not hesitate to contact me at belawoe.akwakoku@ncpa.org or (703) 600-1179.

Sincerely,

A handwritten signature in black ink that reads "Belawoe Akwakoku". The signature is written in a cursive, flowing style.

Belawoe Akwakoku
Associate Director, State Government Affairs
National Community Pharmacists Association

⁴ Avalere. Exploring Pharmacists' Role in a Changing Healthcare Environment. May 21, 2014, available at: <https://avalere.com/insights/exploring-pharmacists-role-in-a-changing-healthcare-environment>.