



June 27, 2018

The Honorable Adrin Nazarian
Member, California State Assembly
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0046

Dear Assemblyman Nazarian:

On behalf of the Pharmaceutical Care Management Association (PCMA), I want to share our support for AB 2863 which will help ensure consumers pay the lowest price for prescription drug at pharmacies.

PCMA is the national association representing America's pharmacy benefit managers (PBMs). PBMs administer prescription drug plans and operate mail-order and specialty pharmacies for more than 266 million Americans with health coverage through Fortune 500 companies, health insurers, labor unions, Medicare, Medicaid, and other programs.

PCMA and its member companies believe that patients should always pay the lowest price available at the pharmacy counter for their prescribed drugs. In all Medicare Part D plans, patients pay the lesser of their plan's cost-sharing amount or the cash price of the drug (also known as the "usual and customary price") at the pharmacy counter. As an industry, PCMA member companies also support this policy in the commercial market.

Although there is already a similar regulatory requirement under Section 1300.67.24(c)(1) of Knox-Keene, codifying these provisions will help further ensure patients are provided with information about their prescription drug costs.

PCMA and its member organizations remain committed to finding meaningful ways to address the rising cost of prescription drugs and look forward to working with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Head", is written over a light blue horizontal line.

Bill Head
Senior Director, State Affairs
PCMA