

From: [Damoth, Debbie@DCA](mailto:Damoth,Debbie@DCA)
To: [Damoth, Debbie@DCA](mailto:Damoth,Debbie@DCA)
Subject: FW: Comments on proposed Section 1736 Sterile Compounding, Enforcement and Compounding Committee, California Board of Pharmacy
Date: Tuesday, April 18, 2023 10:15:04 AM
Attachments: [image001.png](#)
[AB 913 Comments CA BOP.pdf](#)

From: Patel, Vipul Pharm.D. <Vipul.Patel@cshs.org>
Sent: Friday, April 14, 2023 4:26 PM
To: PharmacyRulemaking@DCA <PharmacyRulemaking@dca.ca.gov>
Cc: Alajajian, Rita, Pharm.D. <Rita.Alajajian@cshs.org>
Subject: Comments on proposed Section 1736 Sterile Compounding, Enforcement and Compounding Committee, California Board of Pharmacy

WARNING: This message was sent from outside the CA Gov network. Do not open attachments unless you know the sender: vipul.patel@cshs.org

To Members of the California State Board of Pharmacy

In anticipation of the next Board Meeting where AB-913 will be presented, on behalf Cedars-Sinai Medical Center, we would like to provide comments and support for AB9013 which will help protect consumers, provide transparency on prescription drug prices, and improve our healthcare system. Attached is a summary for the committees review and consideration.

Should you have any questions or concerns related to our comments/recommendations, please do not hesitate to contact me.

Thank you,



Vipul Patel, PharmD
Executive Director, Pharmacy & Oncology Services
Vipul.Patel@cshs.org
8700 Beverly Blvd, Suite 2800 Plaza : Los Angeles, CA 90048
Direct: 310.423.5611 : Fax 310.423.0412 : cedars-sinai.edu

IMPORTANT WARNING: This message is intended for the use of the person or entity to which it is addressed and may contain information that is privileged and confidential, the disclosure of which is governed by applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivering it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this information is strictly prohibited. Thank you for your cooperation.

Assembly Bill (AB) 913 – Pharmacy Benefit Managers: Comments

Institution/Contact	<p>Cedars-Sinai Medical Center Department of Pharmacy Services 310-423-5611 Rita Shane, PharmD, Vice President & Chief Pharmacy Officer; rita.shane@cshs.org Vipul Patel, PharmD, Executive Director, Pharmacy & Oncology Services; Vipul.patel@cshs.org</p>
---------------------	--

<p>AB 913 will help protect consumers, provide transparency on prescription drug prices, and improve our healthcare system. We support this bill, but with the following clarifications and recommendations:</p>	
AB 913 Language	Recommendations/Comments
<p>4445.7.</p> <p>(a) A pharmacy benefit manager shall not impose any requirements, conditions, or exclusions that discriminate against a nonaffiliated pharmacy in connection with dispensing drugs.</p>	<p>The language in the bill is unclear whether a pharmacy or pharmacist engaged in the federal 340B program; or beneficiaries involved in, or receiving a prescription drug from a pharmacy involved in the 340B program is covered in this section as a nonaffiliated pharmacy. Recommend including a pharmacy or pharmacist engaged in the federal 340B program in this section for added clarity with respect to pricing and reimbursement.</p>
<p>4445.7.</p> <p>(d) (3) Establishing a tiered network</p>	<p>The language in the bill is unclear whether a health care plan or health insurer “establishing a tiered network” would have authority to create additional tiers. Recommend to define what is meant by “tiered network” in the bill as this could be used by PBMs as a tactic or “out” clause to circumvent 4445.7 (a) by manipulating reimbursement rates by making them prohibitively low for certain pharmacies to participate.</p>
<p>4445.8. A pharmacy benefit manager shall not do any of the following:</p> <p>(f) Retain more than 20 percent of the aggregate amount of rebates from all manufacturers.</p>	<p>The language in the bill is unclear as to what PBMs will do with the retained 20 percent or why specifically the language states 20 percent. The purpose is to ensure PBMs demonstrate that 100 percent of rebates are used to reduce costs for the individual or the employer, which other states have adopted¹. Recommend clarifying what the 20 percent will be used for or change figure to 100 percent.</p> <p>Reference:</p> <p>1. Colorado HB 22-1370, Section 10-16-156</p>