SENATE COMMERCE COMMITTEE

Patrick Murphy, Legislative Aide

SB 95 relative to choice of pharmacy under workers' compensation.

Hearing Date: February 12, 2013
Time Opened: 2:44 P.M. **Time Closed**: 3:14 P.M.

Members of the Committee Present:
Senator Sanborn, Senator Bradley, Senator Cataldo, Senator Hosmer, Senator Pierce

Members of the Committee Absent: None

Bill Analysis: This bill establishes that an injured employee has the right to choose his or her own pharmacy or pharmacist for the purposes of medicines required under workers' compensation. This bill also establishes pharmacy fee formulas for reimbursement for prescription drugs required under RSA 281-A.

Sponsors: Sen. Carson, Dist 14; Rep. Goley, Hills 8; Rep. Theberge, Coos 3; Rep. D. Eaton, Ches 3

Who supports the bill: Senator Carson, Dist 14; Michael Reynolds, NH SEA; George Cayer and Mike Cikacz, Injured Workers Pharmacy; Ryan Hale and Pete Shefter, NH Auto Dealers Association; Atty. Maureen Manning, injured workers

Who opposes the bill: Bob Nash, NH Insurance Agents Association; George Roussos, NH Association of Insurance Companies, AIA

Summary of testimony presented in support:
Senator Carson, Dist 14

- This bill establishes that an injured employee has the right to choose his or her own pharmacy or pharmacist for the purposes of medicines required under workers' compensation. This bill also establishes pharmacy fee formulas for reimbursement for prescription drugs required under RSA 281-A.
- NH is currently one of the top 10 highest premium states in the country. Nationally, premium rates are declining. NH's claims frequency is the lowest in the region at 4,244 claims in 2010.
- NH total payouts in benefits for 2010 were $237,168. Only eight states and Washington D.C. paid less in benefits than NH.

Ryan Hale, NH Auto Dealers Association

- Supports the reimbursement fee schedule.

Mike Cikacz, Injured Workers Pharmacy

- This bill will provide needed stability in pricing. The reimbursement fee cap will address the cost issue and prevent excessive prices.

George Cayer, Injured Workers Pharmacy

- Single source generic medications can be expensive, multi-source generic medications are cheaper. Supports the fee schedule and freedom to select your own pharmacy.

Michael Reynolds, NH SEA

- Strongly supports the freedom to choose your own pharmacy. This bill will provide stability.

Atty. Maureen Manning, injured workers

- This clarifies that employees have the freedom to choose their pharmacy. Current practice really doesn't provide for free choice. This bill will provide clarity and stability.

Summary of testimony presented in opposition:

George Roussos, NH Association of Insurance Companies

- This is protectionist. Why should this industry have price controls but not other industries? This will increase costs in the long run. This will prohibit some contracts that are good and that lower costs.

Fiscal Note: None

Future Action: Pending.