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April 12, 2024

Chair Tina Liebling
House Health Finance and Policy Committee
477 State Office Building
St. Paul, MN 55155

Dear Chair Liebling and members:

On behalf of Minnesota Farmers Union (MFU), I write to share our organization's support for HF3902, which will update reimbursement rates for pharmacies serving Medical Assistance patients in Minnesota. We are grateful for Representative Bahner's leadership on this legislation and appreciate that independent pharmacies in Minnesota reached out to MFU on this issue.

MFU is a grassroots organization that has represented Minnesota's family farmers, ranchers and rural communities since 1918. At our most recent annual convention MFU members identified healthcare access in rural communities and growing monopoly power as key areas of concern. The loss of independent pharmacies sits at the intersection of those two issues.

Between 2018 and 2023 Minnesota lost more than one-third of locally owned and operated pharmacies, with many of those closures occurring in small rural communities.¹ A key culprit in those losses are low reimbursement rates from pharmacy benefit managers. The loss of these local small businesses reduces access for vulnerable populations and is yet another small business our members have seen disappear from rural communities as consolidation has increased.

HF3902 will help keep pharmacy doors open and protect an important main street business and we urge the committee to support this legislation.

Thank you again to Representative Bahner for bringing this legislation forward. If you have any questions, please contact our Antimonopoly Director, Justin Stofferahn, at justin@mfu.org or (612) 594-1252 (C). Thank you for considering the needs and perspectives of Minnesota's farm families.

Sincerely,

A handwritten signature in black ink that reads "Gary Wertish". The signature is written in a cursive, slightly slanted style.

Gary Wertish
President, Minnesota Farmers Union

¹ <https://www.cbsnews.com/minnesota/news/local-drugstore-closures-increase-reimbursement-rates-for-care/>