



**MINNESOTA TEAMSTERS PUBLIC & LAW ENFORCEMENT EMPLOYEES' UNION,
LOCAL NO. 320, STATE OF MINNESOTA**



AFFILIATED WITH
International Brotherhood of Teamsters

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April 27, 2021

Re: Senate File 2178 / House File 2327

Dear Legislators,

Teamsters Joint Council 32 and Teamsters Local 320 are in strong support of Senate File 2178/House File 2327 which have been included in the Senate and House versions of the State Government Finance Omnibus bill. Additionally we are supportive of an amendment adopted by the House which would provide oversight and a voice for bargaining units impacted by this legislation.

Requiring pharmacy benefit managers (PBMs) to compete fairly and transparently in a reverse auction to secure the State Employee Group Insurance Program (SEGIP) PBM contract will help significantly lower prescription drug costs, co-pays, and other out-of-pocket expenses for our membership and their dependents. Access to care and affordability of prescriptions is important to the health and well-being of Minnesota's workforce.

What's more, when this legislation is signed into law, the State will have full control over the contract terms, and bidding PBMs will have to agree to those terms. The new law will generate significant savings of taxpayer dollars and bring more transparency into the way those dollars are spent to purchase prescription medicines. Simply put, this is good policy and makes smart fiscal sense.

We are appreciative of both Representative Michael Howard and Senator Michelle Benson for bringing this legislation forward. The PBM reverse auction has been successful in several other states including New Jersey, where this change made possible the underwriting of benefit improvements for Union members and saved the state an estimated \$2.5 billion in the first five years. We can and should do a PBM reverse auction here in Minnesota too.

Thank you for your consideration and support of a reverse auction to secure a best-in-class PBM contract for SEGIP beneficiaries and our State.

Respectfully,

Brian Aldes, Secretary Treasurer
Teamsters Local 320

Sami Gabriel, President
Teamsters Local 320

Edward Reynoso, Political Director
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BA/ss,scs/baldes/04302021Legislators

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