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December 1, 2015

Health Policy Oversight Committee
Legislative Services Agency
State of Iowa

RE: DHS/MCO Meeting on 12-07-2015

Dear Committee Members:

I am a pharmacist and the owner of Hartig Drug, the second oldest family owned community pharmacy company in America. Since 1904, we have been based in Dubuque, gradually adding stores as finances permitted. Now operating community pharmacies in Dubuque (4), Dyersville, Waukon, Independence, Williamsburg, Belle Plaine, Monticello and Iowa City and several in the adjacent states of Illinois and Wisconsin, I find it unbelievable that my State of Iowa wants to pay me less than other pharmacies to take care of our Medicaid patients simply because someone classified me as a "chain." My family is and has always been a privately held pharmacy company employing thousands of Iowan's for 112 years.

Someone in State government slipped in some reimbursement language that is attempting to discriminate against pharmacists who happen to own more than one store. The author of the "exception" language remains a mystery, but I can tell you that the RFP for the MCO bids did not include the exclusionary language that would kill jobs and result in no service in the cities in which we operate community pharmacies.

I implore you to eliminate tiered reimbursement structures that are blatantly unfair and frankly discriminatory. We have spent thousands of hours complying with the State's required cost studies over the last 5 years which have resulted in honest and appropriate reimbursement for ALL pharmacies. No one, including the State of Iowa and the winning MCO's (and their PBM's) is dealing in good faith with the pharmacies of Iowa.

Hartig Drug and our nearly 500 associates will fight for the right to continue to serve Iowa's poor and disabled patients just as we have done through wars, depressions and recessions. The Hartig pharmacist has been the face of healthcare in neighborhoods across Iowa and I truly hope we can fix this mess and continue to serve Iowa's poor. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Hartig".

Richard J. Hartig, R.Ph., M.B.A.
Owner, Hartig Drug Co., Inc., an Iowa Corporation