

March 28, 2025

The Honorable Jeff Backer
Co-Chair
House Health Finance & Policy Committee
75 Rev Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155

The Honorable Danny Nadeau
Co-Vice Chair
House Health Finance & Policy Committee
75 Rev Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155

The Honorable Robert Bierman
Co-Chair
House Health Finance & Policy Committee
75 Rev Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155

The Honorable Liz Reyer
Co-Vice Chair
House Health Finance & Policy Committee
75 Rev Dr. Martin Luther King Jr. Blvd
St. Paul, MN 55155

RE: Support of House File 1100, Commissioner of human services required to establish a directed pharmacy dispensing payment to improve and maintain access to pharmaceutical services, and money appropriated.

Dear Co-Chairs Backer and Bierman, Co-Vice Chairs Nadeau and Reyer, and Members of the Committee:

As a representative of Minnesota's small businesses, Small Business Majority writes today in support of HF 1100, which would keep pharmacies open in Minnesota's rural and underserved communities through directed pharmacy dispensing payment lifelines.

Small Business Majority is a small business organization that empowers diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth.

Recently, Minnesota has seen some of the most pharmacy closures in America. Between [2013 and 2023](#) Minnesota lost 61% of all non-chain community pharmacies. Another 39% of chain and regional chain pharmacies closed in that same period. In 2024, another 32 pharmacies closed in Minnesota. As of 2024, 17% of Minnesotans live in a zip code without a pharmacy, with many more at risk if additional pharmacies close. This has an enormous impact on the small business landscape who require stable and consistent access to affordable care and services. Without this, small businesses will see their bottom lines hurt and their growth limited.

To control the rising cost of care, small business owners [overwhelmingly support](#) several policy solutions, many of which have bipartisan support among policymakers. HF 1100 would support businesses by helping pharmacies remain open through a beneficial reimbursement model. HF 1100 would seek to address the current unsustainable reimbursement to pharmacies by pharmacy benefit managers (PBM) contracted to administer the MN-MA outpatient drug program, which accounts for approximately 85% of all pharmacy enrollee coverage and their paid prescriptions through MA. This program is designed to be a direct dispensing reimbursement payment to certain rural, underserved and independently owned pharmacies in addition to the current dispensing fees reimbursed by managed care (PBM) organizations under MN-MA.

We urge you to support HF 1100 so that entrepreneurs in all parts of the state have access to pharmacy services.

Sincerely,

Awesta Sarkash
Public Policy Director, Small Business Majority