



*Advocating the views of convenience stores, supermarkets,
independent grocers, wholesalers and consumer product vendors.*

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RETAIL FOOD MERCHANTS APPLAUD PASSAGE OF LEGISLATION AIMED AT REDUCING WORKERS' COMPENSATION COSTS

CAMP HILL, PA — The Pennsylvania Food Merchants Association (PFMA) applauds the state legislature's passage this week of a bill closing a loophole allowing dramatic mark-ups of physician-dispensed medications to injured workers. HB 1846, which aims to counter rising workers' compensation costs, now heads to the Governor for his signature.

"This legislation is important to business owners who are seeing increased workers' compensation costs," said Alex Baloga, PFMA director of government and public relations. "It creates a fair and stable pricing system for physician dispensing of medication in workers' compensation claims. We are very pleased with the House and Senate efforts to address this issue."

HB 1846, sponsored by Representative Marguerite Quinn (R-Bucks), places the same price cap on physicians dispensing medication for injured workers, which pharmacies and other providers must already follow. It would also limit the duration in which physicians can dispense medications, since studies show that patients who were dispensed medication from their prescribing physician tend to stay out of work longer and receive more medication.

In recent years, Pennsylvania saw more physicians partnering with out-of-state drug repackaging companies to dispense medications directly to workers' compensation patients. Thus exploiting a loophole to avoid the price cap on medications and create spikes in drug pricing, which are charged to the workers' compensation system.

The bill unanimously passed the Senate by a vote of 48-0 last week and received a unanimous concurrence vote in the House of Representatives earlier this week. PFMA applauds the hard work by Representative Quinn and state Senator Lisa Baker (R-Luzerne) to get the bill passed.

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The Pennsylvania Food Merchants Association, a statewide trade association, advocates the views of more than 800 convenience stores, supermarkets, independent grocers, wholesalers and consumer product vendors. PFMA members operate more than 2,500 stores and employ more than 100,000 Pennsylvanians. For more information on PFMA, visit www.pfma.org.

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