



December 19, 2024

The Honorable J.B. Pritzker
Office of the Governor
207 State House
Springfield, IL 62706

RE: Urgent action needed to save Illinois pharmacies

Dear Governor Pritzker:

The American Pharmacists Association (APhA) writes to express deep concern regarding the alarming rate of pharmacy closures in Illinois and to urgently request your leadership in directing the Illinois Department of Healthcare and Family Services (HFS) to publish a memo to stabilize Medicaid managed care pharmacy reimbursement. Without immediate action, the state risks losing more vital healthcare access points, particularly in rural and underserved communities.

Between 2010 to 2021, over 29 percent of pharmacies across the country closed. Over the course of a decade, 76 pharmacies in Illinois have closed.¹ **In 2024, over 80 pharmacies have closed.** The rapid increase in pharmacy closures is due to pharmacies across Illinois being reimbursed below the actual cost of medications, leaving them unable to sustain operations. The absence of a fair and reasonable professional dispensing fee has exacerbated this crisis, making it nearly impossible for pharmacies to keep their doors open. These unsustainable practices are driving pharmacy closures at an alarming rate, disproportionately affecting areas where pharmacies often serve as the sole accessible healthcare provider.

The consequences of these closures extend far beyond the pharmacies themselves. Communities are losing critical access to prescription medications, vaccinations, chronic disease management, and other essential healthcare services that pharmacists provide. Patients, especially those with limited transportation options or complex health needs, are being left with fewer resources to maintain their health and well-being.

We respectfully urge you to direct HFS to immediately engage with stakeholders, including pharmacies, the Illinois Pharmacists Association, and APhA, to:

1. **Publish a memo to establish a reimbursement adjustment** to ensure that pharmacies are reimbursed at or above their acquisition costs for medications by Medicaid managed care plans.
2. **Implement and mandate Medicaid managed care plans provide a fair and reasonable professional dispensing fee** that reflects the true cost of dispensing medications.

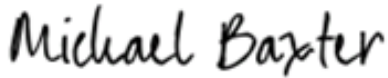
¹ Guadamuz JS, Alexander GC, Qato DM, et al. More US Pharmacies Closed Than Opened In 2018-21; Independent Pharmacies, Those In Black, Latinx Communities Most At Risk. *Health Aff (Millwood)*. 2024 Dec;43(12):1703-1711. doi: 10.1377/hlthaff.2024.00192.

3. **Prioritize collaboration with community pharmacies** to develop sustainable, long-term solutions that support patient access to care and prevent further closures. Lawmakers from other states can serve as a model of this collaboration.²

Taking these actions will not only preserve access to essential healthcare services but also demonstrate Illinois's commitment to equitable healthcare for all its residents. Ensuring the financial viability of pharmacies is a necessary step to protect the health and well-being of Illinoisans, particularly in the most vulnerable communities.

APhA stands ready to assist your office and HFS in these efforts and to facilitate discussions that will lead to meaningful, immediate action. We look forward to your leadership in safeguarding the future of pharmacy care in Illinois. If you have any questions or there is anything we can do to further support this request, please contact E. Michael Murphy, PharmD, MBA, APhA Senior Advisor for State Government Affairs by email at mmurphy@aphanet.org.

Sincerely,



Michael Baxter
Vice President, Government Affairs
American Pharmacists Association

About APhA: APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession, including 12,090 licensed pharmacists in Illinois. APhA represents pharmacists in all practice settings, including community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care, and enhance public health. APhA represents pharmacists, students, and pharmacy technicians who practice in numerous settings and provide care to many of your constituents. As the voice of pharmacy, APhA leads the profession and equips members for their role as the medication expert in team-based, patient-centered care. APhA inspires, innovates, and creates opportunities for members and pharmacists worldwide to optimize medication use and health for all.

² Barhorst and Stewart Unveil Community Pharmacy Protection Act in Ohio. Available at <https://www.ohiohouse.gov/members/tim-barhorst/in-the-news/barhorst-and-stewart-unveil-community-pharmacy-protection-act-in-ohio-4965>