

April 23, 2026

The Honorable Bill Lee  
Governor of Tennessee  
State Capitol, 1st Floor  
600 Dr. Martin L. King, Jr. Blvd.  
Nashville, TN 37243

Dear Governor Lee,

On behalf of the Tennessee Pharmacists Association (TPA), which represents the interests of the health of all Tennesseans and thousands of pharmacists and pharmacy technicians statewide, I would like to ask for your support by signing Senate Bill 2040 (Harshbarger) / House Bill 1959 (Scarborough) into law. Tennessee has an opportunity to continue to lead the country, becoming the second state to pass this critical legislation, protecting the health and safety of all Tennesseans.

We are grateful for your leadership on prior PBM reforms, including Public Chapters 569 (2021) and 1070 (2022). While these measures were important steps forward, continued action is necessary to fully address ongoing PBM abuse.

Despite existing safeguards, PBMs continue to operate in ways that undermine state law and patient welfare. Audits conducted by the Tennessee Department of Commerce and Insurance documented instances in which a PBM reimbursed its own affiliated pharmacy more than 16,000% higher than an unaffiliated pharmacy for the same prescription within the same network. These practices increase costs for patients, restrict freedom of choice, and push individuals toward mail-order dispensing models that may not be appropriate for all medications, particularly those requiring timely delivery or specialized handling.

It is critical that SB 2040/HB 1959 becomes law to break up the anti-competitive, monopolistic practices of PBMs. PBMs are driving Tennessee community pharmacies out of business by setting the prescription drug reimbursement rates of their competitors at inadequate levels. Since 2017, more than 600 community pharmacies have closed across Tennessee, including 62 in 2024 alone. These closures disproportionately affect rural and underserved communities, reducing access to trusted, local healthcare providers.

SB 2040 / HB 1959 represents a necessary and reasonable step to ensure transparency, competition, and patient-centered care in Tennessee. We respectfully urge your support for this legislation and appreciate your continued commitment to the health and well-being of Tennesseans.

For these reasons, the TPA and the pharmacy stakeholders listed below request your support by signing SB 2040/HB 1959 into law.

Sincerely,



Anthony Pudlo, PharmD, MBA, MSHIA  
Chief Executive Officer  
Tennessee Pharmacists Association



Katy Wright, PharmD, MBA, BCPS  
President  
Tennessee Pharmacists Association

Additional Partners:

AlignRx  
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(AAP)  
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Pharmacists (ASCP)  
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Pharmacists (ASHP)  
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Ingles Markets, Inc.  
Independent Pharmacy Cooperative

National Alliance of State Pharmacy  
Associations (NASPA)  
National Association of Chain Drug  
Stores (NACDS)  
National Community Pharmacists  
Association (NCPA)  
Pharmacy Plus  
Tennessee Oncology  
Tennessee Primary Care Association  
(TPCA)  
TrueScripts Management Services, LLC