

The Moser Minute

By Lisa Moser, District 106

Regarding committee work:

Appropriations Committee: An informational briefing on the American Rescue Plan Act of 2021 showed the committee available dollars left in the ARPA funds that must be spent by December 31, 2026. Four additional informational hearings updated the committee on: Kansas Department of Transportation-IKE Plan, recognizing the accomplishments of the first 5 years of the 10-year program making improvements to Kansas Highways; Kansas Turnpike Authority construction updates; Bonding request for capital improvements in the School of Architecture & Design Building on the University of Kansas Campus; and finally, an update on the “Military Sustainment Program” at Wichita State University. Bill hearings included: HB2781—Authorizing the state historical society to acquire the junior officers’ quarters at Fort Dodge and provide for the use, preservation, improvement, control and maintenance. This is an important historical preservation project regarding Fort Dodge. HB 2788—Establishing the Business Enterprise Program Oversight Task Force to review state administration of priority placement for blind vendors on state property and allowing audits on this new program. Vending facility accounts outside the state treasury will be abolished and instead, the “Business Enterprise Program” fund will be established in the Kansas Department for Children and Families in the State Treasury.

Agriculture and Natural Resources Budget Committee: Informational briefings were held this week on Conservation with presentations provided by Joshua McGinn, Assistant Secretary, Kansas Department of Agriculture, Division of Conservation; Amanda Scott, Assistant Director, Kansas Association of Conservation Districts; Ryan Hoffman, Conservation Director, Kansas Corporation Commission; David Schemm, FSA Director in Kansas, USDA Farm Service Agency on the Conservation Reserve Program (CRP); and Chad Volkman, Acting State Conservationist – Kansas, USDA Natural Resources Conservation Service on the Conservation Stewardship Program (CSP) and Environmental Quality Incentives Program (EQIP). All were interesting and very informative, especially Ryan Hoffman, with the KCC, reporting on plugging abandoned oil and gas wells across the state. The briefings we are hearing now are the results of committee members’ interests and questions about certain subject matter presented during the budget hearings of the 12 agencies that come before the ANRBC.

Agriculture and Natural Resources Committee: The Committee received the annual commodity reports on wheat, corn, soybeans, grain sorghum, and

sunflowers. Bill hearings included: SB344—Giving animal shelters the ability to place certain animals (neonates-puppies and kittens less than 8 weeks old) needing care into foster homes and requiring shelters to display photographs of animals at a location other than the shelter during a holding period; SB425—Increasing the maximum annual registration fee limit for seed retailers and wholesalers and authorizing a late fee for registrations renewed after the registration deadline; and SB473—Authorizing Audubon of Kansas to convey (transfer) certain property in Wabunsee County (30 acres named the “Mount Mitchell Heritage Prairie Park”) and requiring any deeds or conveyances related to such property be reviewed and approved by the State Historical Society. The transfer would be to the Mount Mitchell Prairie Guards, who have maintained the property for the past several years.

House floor action: **HB2644**—Requiring a county appraiser to adjust the value of residential and commercial property upon final determination or obtain a fee simple appraisal if the appraised value exceeds 5% increase over three years. This bill was designed to help homeowners who, after winning a tax appeal, to lower the appraised value of their home find that their valuation goes right back up the following year. (119-0)

Sub HB2427—Substitute for HB 2427 by Committee on Appropriations – Establishing the positions of the “Senate Fiscal Integrity Auditor” appointed by the President of the Senate and the House of Representatives Fiscal Integrity Auditor appointed by the Speaker of the House of Representatives, and providing for the duties of these fiscal integrity auditors, including access to the state fiscal technology systems and software and reports. These auditors will have the capability to do in-depth studies of and fiscal analysis of any budget items that come before the state, to help ensure the state expenditures align with Legislative intent. (85-34)

HB2513—Authorizing payment of certain Claims Against the State. These are claims made by inmates that the Joint Committee on Special Claims Against the State accepts after evaluation of applications. This year \$6,346.91 was approved. (118-1)

SB299—Requiring the Supreme Court Nominating Commission to release certain records (names and cities of residence) under the Kansas Open Records Act. Providing more transparency is the focus of this legislation. (87-32)

HB 2712—Allowing counties to put on the ballot (without having to come to the Legislature) to enact a sales tax in increments of 0.05% up to 1% for general purposes and providing for the dedicated apportionment of special purpose tax revenues up to 2% and limiting special purpose city and county wide retailers’ sales taxes

to 10 years. (108-11)

HB 2767—Establishing the Kansas Military Affairs Commission and defining the powers and duties of the commission. (115-3)

H Sub for SB33—House Substitute for Substitute for SB 33 by Committee on Taxation – This bill continues the current freeze allocations on counties’ sales tax apportionments formula through December 2027. If no action/better method is developed and passed in the 2027 session, then the Total Assessed Valuation method will become law on January 1, 2028. (107-11)

SB335—Requiring all public construction contracts to include a mutual waiver of consequential damages, which are happenings that both parties foresee as possible to occur. (84-34)

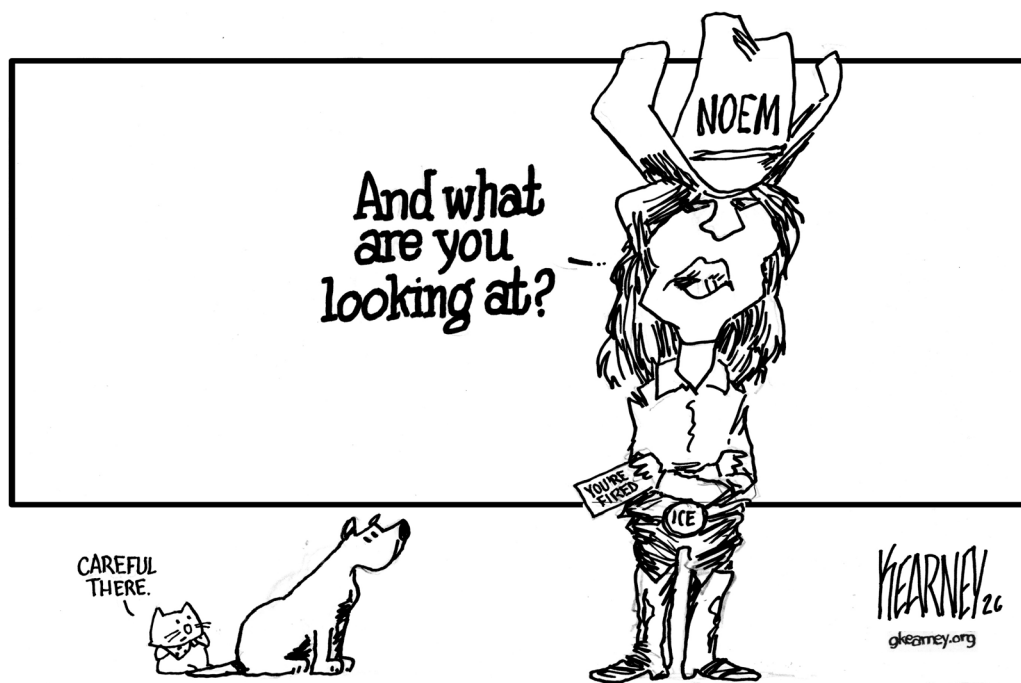
Darren Schroeder, Superintendent of USD 364 Marysville Schools presented the school’s Farm to Plate Strategic Plan: “Beefing Up Student Success, One Local Bite at a Time” in the Education Committee on Thursday, March 5th. From Mr. Schroeder: “At USD #364, we know that nutrition is key to healthy minds and student success. Since Fall 2025, our students have been enjoying locally grown beef, pork, and vegetables from area producers. As we continue to expand food options, we recognize that community support is essential. By partnering with local producers, we can provide fresh, high-quality foods for all students throughout the school year. Together, we are committed to nurturing a healthier tomorrow for our students.” I was happy to be able to attend his presentation. The committee was very receptive to the program which is in its first full year of existence. There are so many positives surrounding this endeavor that I can’t write about all of them in this Moser Minute, which has turned into a Moser 15-Minute! Rest assured that there will be more news forthcoming as this program continues to evolve. This could be the beginning of a statewide movement to improve the dining experiences of our K-12 students.

Bristol Swearingen, Lizzy Swearingen and Norman Jurgensen of Marysville, and Izac Fabian of Waterville, served as my House Pages this week. They were accompanied by Logan Jurgensen of Marysville. I visited with Kelly Knedler in the rotunda on March 4th. Kelly organizes the Kansas Music Educators Association Choral Music Day at the Capitol each year. He is the husband of Tami Knedler, Superintendent of USD 109 Republic County Schools in Belleville.

Thank you for your continued support. Please reach me with any questions or concerns at lisa.moser@house.ks.gov

Representative Lisa M. Moser
Kansas House District No. 106

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SB 360 Curbs PBMs, Brings Sanity To Rx Pricing

By Mike Burns, CEO, AuBurn Pharmacy

I am a pharmacist. I am a pharmacy owner. I am an employer. And for six months of my life, I was also a cancer patient.

While I already knew of the problems with PBMs and healthcare, that unique vantage point confirmed something Kansans deserve to know: when it comes to prescription drugs, we do not have a free market. We have a monopoly – and it is costing patients, employers, and taxpayers far more than they realize.

Pharmacy benefit managers, or PBMs, were originally created to help administer prescription drug benefits. They were to process claims. Today, through consolidation and vertical integration, they have become something very different.

A handful of PBMs now control which drugs are covered, where patients are allowed to fill prescriptions, and how much pharmacies are paid – while owning their own “specialty” and mail-order pharmacies. They pay non-affiliated pharmacies less than they pay their own. They make billions on “spread” pricing – where they pay pharmacies they don’t own one price, and bill the payer (employers and taxpayers) a higher price and keep the “spread.” Often hundreds or even thousands of dollars.

They hide this from the payers. In fact, many of the “take it or leave contracts” offered to the local pharmacy actually prohibit the pharmacy from sharing with the payers what the pharmacy gets paid. Where else can the purchaser of a product not be allowed to talk to the actual seller? They also hold manufacturer rebates, intended to lower costs to plan sponsors, in overseas companies, and send only a portion back to their parent company – but tell the plan sponsors (employers and taxpayers) they are giving all the rebates back! Sound like the Mafia?

That is not competition. It is control. When 3 companies control over 80% of the market, and with no regulation, they capitalize. They monopolize.

PBMs use that power to systematically underpay independent pharmacies, driving many out of business. When local pharmacies disappear, PBMs steer more patients into their

own affiliated operations. They claim this saves money. My experience proves otherwise. It is a conflict of interest and increases costs!

Six years ago, I was diagnosed with cancer. My doctors prescribed a treatment plan that included radiation, IV chemotherapy, and an oral chemotherapy drug called capecitabine.

At the time, as owner of AuBurn Pharmacy, we were insured through Blue Cross Blue Shield, with Optum serving as the PBM. My pharmacy had the medication on the shelf. We were contracted with Optum. As the patient, the pharmacist and the plan sponsor – the person responsible for providing health insurance to my employees – I attempted to fill my prescription at my own pharmacy.

My claim was denied. I was required to use a PBM-designated “specialty” pharmacy instead.

Who gets to decide which medications are “specialty?” PBMs do. They define “specialty” drugs as those with high cost and more complex therapy. They then require them to go through their own “specialty” and mail order pharmacies. Even when stocked at the local pharmacy – including mine.

The result was staggering.

If my prescription had been filled locally, the total cost for six months of therapy including the drug and reasonable professional fees would have been approximately \$2,840. That’s \$2,600 for the cost of the medication and a total of \$240 markup.

Instead, when forced through the PBM’s specialty pharmacy, my health plan was billed nearly \$50,000, but due to “plan savings,” only paid \$15,000. Touting a SAVINGS of \$35,000. Who would ever know the difference? I did. Smoke and mirrors.

That is more than a \$12,400 increase for the exact same medication – a markup of over 5,000 percent. All profit. One medication.

Worse still, during that entire time, I never once received a call from the specialty pharmacy offering counseling or support for this supposedly “complex” therapy.

This is not an isolated incident. It happens thousands of times every day across Kansas and across the country. And every

time it happens, premiums go up for employers and employees alike. The insurers and PBMs make money over charging services and use that as an excuse to increase premiums, making even more money.

Eventually, as a plan sponsor, I decided to remove the middlemen altogether. AuBurn moved to a partially self-funded health plan using a fully transparent PBM – one that simply processes claims. No mail-order mandates. No specialty pharmacy schemes. No spread pricing. No rebates held in Ireland.

Over the past five years, our health plan costs have remained essentially flat, at a time when many employers are facing annual increases nearing 10 percent. At the same time, we expanded benefits, including adding a health savings account and a buy-up plan option.

PBM reform does not increase costs. It reduces them. Other states have proven this. Our own experience in Kansas proves it.

Some lawmakers have told me they are hesitant to “get in the middle” of private business negotiations. That argument collapses when a monopoly exists. When markets fail, government has a responsibility to step in – not to control prices – but to restore competition.

Today, pharmacy is not a free market. It is a monopoly.

A current bill in Kansas, SB360, would require transparency, no spread pricing, no hiding of rebates, and would pay non-PBM owned pharmacies at least their cost or NADAC (national average drug acquisition cost) with a markup or professional fee of \$10.50. It would save local access and at the same time save employers and taxpayers millions. Yet, the opponents are scaring everyone about a “\$10.50 pill tax?” Those opponents know better. Kansans deserve better.

And who are those opponents? Insurance and PBMs, of course.

On behalf of Kansas patients, employers, employees, and taxpayers, I urge lawmakers to enact meaningful PBM reform. End anticompetitive practices. Protect patient choice. Ensure fair reimbursement. And restore a marketplace that works not just for corporate middlemen, but for the people they claim to serve.



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