

October 27, 2023

Anne Sodergren **Executive Officer** 2720 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833

Re: AB 1286

Executive Officer Sodergren,

The Albertsons Companies Inc. ("ACI") family of pharmacies is one of the largest pharmacy providers in the state of California. We currently operate 588 grocery locations of which 370 include a pharmacy in the state under the Albertsons, Safeway, Vons, and Pavilions banners. Nationwide, ACI operates 2272 grocery stores that include 1728 pharmacies across 34 states, including the District of Columbia.

Delay in Enforcement Requested

During the most recent legislative session, AB 1286, sponsored by Assembly Member Matt Haney, passed the legislature and was signed by Governor Newsom. Our pharmacies are disproportionately affected by this bill compared to our competitors because of our unique position in operating many low volume pharmacies, often in underserved and disadvantaged areas in the state. Based on our forecast we estimate a need to hire 190 pharmacy technicians or clerks to be compliant with the staffing floor requirements in the bill. We recognize hiring and training this many individuals in a short amount of time will present significant challenges. For this reason, we respectfully request that the Board exercise enforcement discretion related to the new Business and Professions Code Section 4113.6 for a minimum of six months to allow for compliance with these new requirements.

As mentioned, many of our pharmacies in California are lower volume pharmacies located in rural areas. These pharmacies dispense less than six prescriptions per hour including immunizations and can often be staffed by a single pharmacist during many hours of the day. We are already experiencing a stressed job market. In fact, we currently have approximately 60 openings for technicians and clerks that are posted and unfilled for lack of applicants. This will be compounded by adding an estimated 190 additional job openings for our pharmacy locations. Further, though we are disproportionately affected due to our locations in rural areas, competitors in similar locations will be hiring and competing for the same employees in the same stressed job markets, making hiring that much more difficult. As we approach the holidays, we believe the eligible pool of applicants will be further limited. We plan to aggressively recruit and hire clerks and technicians to support our pharmacists, but our main concern is that other pharmacies will be actively recruiting from the same candidate pool that is already lacking in applicants.

If we were to take technicians out of the conversation and only hire clerks, we must also consider total store job openings. Our total store job openings exceed 2,500 for similar level jobs targeting the same







































demographic and applicant pool as clerks. Every associate we employ in our organization plays an integral role in providing a safe environment for our customers and patients. Many of our locations are already challenged for staff throughout the store, so reallocating staff from the front end to support pharmacy full time will not be an option everywhere.

These are the variables we are currently navigating to ensure we are compliant with the staffing requirements in AB 1286. A delayed enforcement to ensure we have adequate time to hire or reallocate where possible will be critical to support our efforts to ensure access to pharmacy services. We expect during this transition to remain compliant with the previously enacted community pharmacy staffing requirements to make available an individual who can support the pharmacist when requested. As new staff are hired and trained, our reliance on the cross-trained individuals will decrease as we are able to provide full-time support to the pharmacists.

Additional Clarification Needed

The legislative process did not answer all the questions we have related to both short- and long-term implementation of the new law. We have concerns about how to handle unexpected absences or resignations, potentially causing temporary closures while new staff are hired. We do not believe the legislature intended to temporarily limit patient access to pharmacy services while a replacement is found or hired. As written, it lacks the clarity of Section 4113.5 which clearly states the Board will not act against a pharmacy if the pharmacy takes all reasonable action to make another employee available to assist the pharmacist. We ask the Board to please provide clear guidance on the expectations for handling these situations, including but not limited to absences related to illness, injury, family emergency, or an employee's termination or resignation to preserve access to pharmacy services.

Albertsons urges you to delay enforcement of Business and Professions Code Section 4113.6 for at least six months to allow pharmacies adequate time to hire increased staff to be compliant with this **new requirement**. Additionally, we ask for clarification on how to handle instances of unexpected shortand long-term absences of pharmacy personnel. If you have questions, please reach out to Rob Geddes at Rob.Geddes@albertsons.com or on his mobile phone at (208) 513-3470.

Sincerely,

Rob Geddes, PharmD, MBA

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Director, Pharmacy Legislative and Regulatory Affairs

Albertsons Companies, Inc.





































