

The Pharmacy Guild/IAM 9000 Machinists Place Upper Marlboro, MD 20772 301-967-4725 www.PharmacyGuild.org

## Sent by Electronic Mail on May 21, 2025

- TO: Donna Mack Workforce Initiatives Manager Washington State Employment Security Department PO Box 9046 Olympia WA 98507-9046
- **RE:** Layoffs Associated with CVS Acquisition of Rite Aid Pharmacies in Washington

Dear Manager Mack:

On May 7, 2025, Rite Aid announced they would be laying off at least 131 Bartell pharmacy professionals and store associates across Washington state in the midst of their recent Chapter 11 bankruptcy. According to <u>KIRO 7</u>, Rite Aid has also already closed at least eight stores in Washington and is slated to shutter hundreds more nationwide. As the legally authorized collective bargaining representative of multiple groups of CVS pharmacy professionals, we are writing to express serious concern caused by mass layoffs announced at Bartell Drugs by their corporate owner, Rite Aid.

We are The Pharmacy Guild/IAM, a national voice for pharmacy professionals, including pharmacists and pharmacy technicians. We are both a union and a professional association that advocates for safe patient care, industry standards, and our professional rights at work. We represent pharmacy professionals across the country who put their professional and ethical obligations to patients before the interests of corporate chain pharmacies.

These closures come despite the fact that CVS Health has announced it would acquire dozens of former Bartells and Rite Aid locations across the state, without a guarantee to retain existing staff. We are writing to you to ask that you proactively investigate the circumstances of this acquisition to prevent future layoffs. As CVS Health takes over these locations, they should be required to maintain continuity of care for patients and employment for pharmacy professionals and other employees. This means:

- Acquired locations should prevent layoffs.
- Current employees should not be required to reapply for positions they already hold.
- Bartell and Rite Aid pharmacy professionals should be offered employment at CVS Health-run locations to help alleviate chronic understaffing faced by

community pharmacies.

- CVS Health should immediately bargain with union representatives to prevent layoffs and ensure fair transitions.
- CVS Health should take a neutral position in any union organizing efforts and elections.

Under the state's newly passed SB 5525 "Securing Timely Notification and Benefits for Laid-Off Employees Act," the Washington State Employment Security Department is now empowered to enforce proper compliance with the WARN Act. The law requires that no employee currently on Washington Paid Family and Medical Leave be laid off. The ESD should ensure CVS complies with this provision.

We also ask that the ESD constructively devise methods to reduce impacts to pharmacy professionals and patients at locations acquired by CVS Health. In addition to the items we listed above, these could include SharedWork programs, partial unemployment, or temporary standby arrangements to help prevent total job loss and service gaps.

Given that Bartell Drugs and Rite Aid are key frontline healthcare providers, especially in rural areas, it is crucial community pharmacy closures are prevented during this bankruptcy and acquisition process. We appreciate your attention to this issue and commitment to protecting Washington's healthcare workforce and patient access to care.

Sincerely,

Jon Arvine

Jon Irvine Coordinator, The Pharmacy Guild/IAM

Cc: David Joyner, President and CEO, CVS Health Larry McGrath, EVP and Chief Strategic Advisor to the CEO, CVS Health Matt Schroeder, CEO, Rite Aid

Shane Brinton, Director, The Pharmacy Guild/IAM Beth Pease, Assistant Coordinator, The Pharmacy Guild/IAM Maria Roeper, Associate General Counsel, IAM Union