KEY “ASKS” FOR NACDS RxIMPACT DAY ON CAPITOL HILL

1. Highlight the Value of Pharmacy and improve access to pharmacist services by cosponsoring H.R. 592/S. 314, a bill to allow Medicare Part B to utilize pharmacists to their full capability by providing services to the underserved. Please support passage of the legislation this year.

Amidst increasing healthcare demands, a national physician shortage and health insurance coverage expansion, it will be difficult to ensure access, quality, cost, and efficiency pursuant to healthcare reforms – especially for the medically underserved. Pharmacists play a critical role in care delivery and participate in care models beyond traditional fee-for-services (i.e. accountable care organizations). Pharmacists provide immunizations, medication therapy management, cost-saving health tests and chronic condition management for diabetes/heart disease. The lack of pharmacist recognition as a provider by Medicare limits their services, even those they are fully qualified to provide. Retail pharmacies are the most accessible healthcare provider given 94% of Americans live within 5 miles of a retail pharmacy. Increase access to needed services by cosponsoring the Pharmacy and Medically Underserved Areas Enhancement Act to allow Medicare Part B to utilize pharmacists to their full capability by providing services to underserved beneficiaries (subject to state scope of practice laws). Private estimates show a single-digit billion dollar cost over ten years for this bill that would reduce costs, increase access, and improve healthcare quality.

2. Protect beneficiary health in the FY2017 National Defense Authorization Act (NDAA) by: (1) creating a pilot program to reduce TRICARE costs and expand prescription access; and (2) refusing to increase FY2017 prescription drug copays.

Rather than penalizing TRICARE beneficiaries with increased copayments for getting prescriptions beyond military treatment facilities (MTFs) and mail order, Congress should support including a cost-saving pilot program in the FY 2017 NDAA. The pilot would enable the Department of Defense (DoD) to purchase medications to be dispensed by retail pharmacies to retired TRICARE beneficiaries, who are not Medicare eligible and at the lowest DoD price. The DoD already purchases TRICARE prescriptions dispensed via mail order and MTFs at a much lower cost than for the retail setting. Pilot program savings to the government will be obtained by allowing DoD to purchase prescription drugs dispensed in the retail setting at the much lower mail and MTF rate. The pilot will eliminate the 32% average cost difference for brand name maintenance medication prescriptions filled by mail and MTFs versus the retail setting. The pilot also will lower administrative costs, as the current administrative fees for prescriptions filled through mail order may be as much as 40% higher than the retail setting. In regards to increased copays, the Congressional Budget Office’s analysis of the Senate’s version of FY2016 NDAA found that copay increases impact medication adherence for chronically ill beneficiaries, resulting in more doctor visits and hospitalizations. The $4.9 billion in direct pharmacy savings would be offset by a $1.1 billion increase in other federal spending for medical services (mostly from Medicare). We should not achieve savings in DoD through copays increases that negatively impact beneficiary health and limit pharmacy choice.

3. Ensure Medicare Part D access/transparency by: (1) supporting H.R. 793/S. 1190 to allow pharmacies in medically-underserved areas to join Medicare prescription drug plan networks as preferred pharmacies; and (2) telling CMS to provide much-needed guidance to improve transparency in pharmacy reimbursement structures.

Limited Medicare Part D networks limit patient ability to use their pharmacy of choice and prevent patients from receiving care from the pharmacists they know and trust. The policies of preferred pharmacy networks too often result in patients having to use pharmacies that don’t meet their personal needs or that are too far from their homes. This has the potential to be problematic in rural, and other underserved areas, where older Medicare beneficiaries may have to travel long distances to use a preferred pharmacy in their network. We ask you to support the Ensuring Seniors Access to Local Pharmacies Act of 2015 (H.R. 793/S. 1190) which would allow pharmacies in medically-underserved communities to participate in prescription drug plan networks in Medicare as a preferred pharmacy if they are willing to meet the terms and conditions of the plan. Further, transparency in the Part D program -- including in the use of back-end fees by Part D plans such as direct and indirect remuneration (DIR) fees – is needed. CMS has been considering revising the definition of negotiated prices to reflect all price concessions from pharmacies. Accurate pharmacy reimbursement calculation should be reflected in drug costs reported to CMS. This proposed change will alleviate the complexity of tracking actual drug reimbursement, helping CMS ensure pharmacy reimbursement structures are not increasing Medicare program costs. Please call CMS to urge this change to their “call” letter.