

# NCPA Advocacy Center Update

## Week Ending September 10th, 2011

Congress returned from its summer break this week to a plate full of issues that will assure that they will likely be in session right up until Christmas Eve.

**NCPA Makes Recommendations to Congressional Debt Commission:** This week, NCPA sent a letter to the Special Congressional Committee charged with finding \$1.2 trillion in Federal program savings, outlining our proposals to reduce costs while preserving patient choice and access to community pharmacy. The Committee is supposed to make these cost savings recommendations to the full Congress by November 23<sup>rd</sup> and Congress is to vote on them by December 23<sup>rd</sup>. NCPA recommends:

- **Increase the use of lower-cost generic medications.** Generic drugs are one-fifth of the cost of brand-name drugs and nearly every federal health program can increase the proportion of prescriptions filled with generics. Community pharmacists dispensed generics 72 percent of the time in 2010 – 10 percent more often than mail order facilities, which profit from brand manufacturer rebates;
- **Better management of patients' drug therapy.** Studies have found that services such as medication therapy management (MTM) provided by community pharmacists can help reduce the costs associated with the medication adverse events, estimated to be as much as \$290 billion annually;
- **Collect billions of dollars in manufacturer rebates currently retained by pharmacy benefit managers (PBMs).** The U.S. Department of Health and Human Services Office of the Inspector General has found that, in the Medicare Part D program, PBMs do not pass on to beneficiaries the full amount of rebates and that PBMs and other Part D plan sponsors routinely underestimate future rebates. Congress should insist on full pass through of rebates received by PBMs from manufacturers for government programs;
- **Ensure patient choice in pharmacy; avoid mandatory mail order requirements.** Community pharmacists routinely encounter patients disposing thousands of dollars worth of unusable, excess medication received through the mail. In Medicare Part B, the same has been true for products such as diabetes test strips.

NCPA will meet with all 12 members of the debt commission or "Super Committee" individually to discuss our recommendations in detail. NCPA is also readying a document that will demonstrate that independent community pharmacy has borne a disproportionate share of Medicare Part D and Medicaid cuts over the last several years.

**NCPA Submits Statement for Hearing on Healthcare Industry Consolidation:** This week House Ways and Means Committee subcommittee on Health held a hearing to assess the impact of healthcare consolidation on the marketplace. The main focus of the hearing was the merging of hospitals and physician practices but NCPA did submit a statement which outlines our concerns with consolidation in the pharmacy benefit management (PBM) sector. We reiterated how those concerns have been compounded by the recent proposed merger between PBM giants Express Scripts (ESI) and Medco, the number one and three players in the marketplace.

**House Judiciary Committee Announces Hearing on ESI-Medco Merger:** House Judiciary Committee staff informed us that the Subcommittee on Intellectual Property Competition and the Internet will hold a hearing on the ESI-Medco merger on September 20<sup>th</sup>. The Subcommittee is chaired by Representative Goodlatte (R-VA). This will be a unique opportunity for community pharmacy to make its case against the merger, as well as educate Members of the Committee about PBM issues in general. Also, House Energy and Commerce Committee Senior Democratic Members Henry Waxman (D-CA), Frank Pallone (D-NJ) and Diane DeGette (D-CO) wrote to the FTC this week, asking that the agency thoroughly investigate the proposed ESI and Medco merger. We appreciate these Members support for a thorough review of the merger by the FTC.

**NCPA Supports Congressional Letter Opposing Texas Medicaid Waiver:** Congressman Lloyd Doggett (D-TX) is circulating a letter to CMS among Texas Representatives opposing the Texas Medicaid waiver. Should CMS approve this waiver, millions of Texas Medicaid prescription drug beneficiaries would be moved from the existing fee-for-service program into managed care. Congressman Doggett's letter highlights the fact that Texas' Medicaid program offers no evidence in regards to cost savings to justify the proposed managed care prescription drug benefit. Also, there have been no demonstration projects or pilot programs on the effectiveness of Medicaid pharmacy managed care. If you are from Texas please ask your U.S. Representative to sign this letter

**NCPA Submits Comments to DEA on Proposed Fee Increases:** NCPA submitted comments this week to the DEA regarding proposed increased registration fees (from \$551 to \$732 per 3-year period). NCPA has previously expressed our concerns related to prior fee increases that as small business owners and healthcare providers we were unsure how the increased resources would be used to curb the growing problem of prescription drug abuse. NCPA appreciates the efforts of the diversion control program (DCP) whose activities will be funded by the increased fees. However, we encourage the DEA to provide more detailed information as to how these most recent proposed increases will further the stated goals of the DCP, while also balancing the need to ensure that patients have access to needed medications.

**NCPA Attends NCPIE Board Meeting:** NCPA staff attended the quarterly Board meeting of the National Council on Patient Information and Education (NCPIE) for an update on NCPIE activities in the realm of advancing safe medication use. This October marks NCPIE's 26th national "Talk About Prescriptions Month", and this year's theme is "Collaboration is the Key for Medicine Safety". In addition, NCPIE will focus on new educational messaging on the safe use of acetaminophen, both on the consumer side with the Know Your Dose campaign, and engage in dialogue about standardization of prescription labels for products containing acetaminophen.

**NCPA Participates in EPA Meeting on MDIs:** NCPA participated in a stakeholder meeting hosted by the EPA on the transition to ozone-safe metered dose inhalers (MDIs), specifically related to epinephrine MDI products such as Primatene Mist. Epinephrine MDIs are among the few remaining asthma treatments that still contain ozone-depleting CFCs as propellants. The FDA's 2008 rulemaking removes epinephrine MDIs from the list of essential products, so that as

of January 1, 2012, these MDIs will be prohibited from being sold, distributed or offered for sale or distribution in interstate commerce. NCPA had previously submitted comments to FDA expressing our concerns in assuring that patients and patient care providers are fully informed about the need to transition to alternative treatments and approaches to proper, comprehensive asthma care.

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