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More than 240 Patient, Healthcare Groups Urge Congress to Reform Pharmacy "DIR Fees" This Year

Congress "should not overlook the clear and present opportunity" to address reforms

Washington, D.C. – More than 240 patient advocates and healthcare entities today <u>urged</u> <u>Congressional leaders</u> to act now on a key reform to lower patients' prescription drug prices at the pharmacy counter and to help prevent pharmacy closures that jeopardize access for vulnerable Americans.

"Members of Congress should not overlook the clear and present opportunity to address these needed reforms this year," the groups wrote to Senate Majority Leader Mitch McConnell (R-KY), Senate Minority Leader Charles Schumer (D-NY), Speaker of the House Nancy Pelosi (D-CA), and House Minority Leader Kevin McCarthy (R-CA).

At issue are the "direct and indirect remuneration (DIR) fees" charged by payers to pharmacies that have – according to Centers for Medicare and Medicaid Services data – grown by 45,000 percent since 2010. Resulting from a regulatory loophole, the fees have the net effect of

needlessly inflating Medicare patients' out-of-pocket prescription drug costs and jeopardizing the viability of pharmacies. The United States now has approximately 2,000 fewer pharmacies than two years ago.

"On behalf of Medicare Part D beneficiaries, we urge you to advance legislative efforts to reform pharmacy DIR clawback and performance measure fees. We write to you on behalf of patients, pharmacies, healthcare organizations, and healthcare practitioners who are working collaboratively to ensure access to needed prescriptions, particularly during the COVID-19 pandemic. Patient medication access is vital to patient health and wellbeing and can protect against otherwise avoidable emergency department visits, especially at this time," the groups wrote.

The letter was commended by a pharmacy coalition including: The National Community Pharmacists Association (NCPA); National Association of Chain Drug Stores (NACDS); American Society of Consultant Pharmacists (ASCP); National Association of Specialty Pharmacists (NASP); The Food Industry Association (FMI); National Grocers Association (NGA); American Pharmacists Association (APhA); and the National Alliance of State Pharmacy Associations (NASPA).

Last December, the pharmacy coalition <u>applauded</u> revisions to the bipartisan Prescription Drug Pricing Reduction Act, developed by the Senate Finance Committee, which they say would help to address the perils of DIR fees for patients and pharmacies.

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More information about the pharmacy organizations is available online:

National Community Pharmacists Association
National Association of Chain Drug Stores
National Association of Specialty Pharmacy
American Pharmacists Association
FMI - The Food Industry Association
National Grocers Association
National Alliance of State Pharmacy Associations
American Society of Consultant Pharmacists