



2021

INDEPENDENT COMMUNITY PHARMACY LEGISLATIVE PRIORITIES

NCPA's Legislative Agenda: Pro-Patient, Pro-Pharmacist

- ❑ **Finalize direct and indirect remuneration fee reform:** H.R. 3554/S. 1909, the *Pharmacy DIR Reform to Reduce Senior Drug Costs Act*, seeks to reduce patients' cost-sharing, prevent plans and pharmacy benefit managers from clawing back DIR fees from pharmacies, improve price transparency, and enhance and establish consistent pharmacy performance measures that foster quality care and the viability and predictability of pharmacy operations. CMS has determined there was a 91,500 percent increase in pharmacy DIR fees between 2010 and 2019. This unchecked growth of DIR fees creates access issues for seniors in Part D and increases the possibility of pharmacy deserts, which is why Congress must enact this vital drug pricing reform this year.
- ❑ **Prohibit spread pricing in Medicaid managed care:** NCPA has long supported the prohibition of spread pricing, especially in the taxpayer-funded Medicaid managed care program. We support state Medicaid managed care programs implementing a "pass-through" model, which includes a transparent benchmark based on National Average Drug Acquisition Cost (NADAC) and a commensurate dispensing fee like those in Medicaid fee for service programs. Under a pass-through pricing model, PBMs are paid an administrative fee, which is the only source of revenue under the contract, thus avoiding any costly PBM spread. The Congressional Budget Office (CBO) has estimated this reform, which was included in both House and Senate drug pricing reforms last Congress, would save \$1 billion over 10 years.
- ❑ **Pharmacy access, patient steering, and conflicts of interest:** H.R. 2608, the *Ensuring Seniors Access to Local Pharmacies Act*, would allow community pharmacies that are in medically underserved areas, medically underserved populations, health professional shortage areas, or Federal Office of Rural Health Policy's designated rural areas to participate in Medicare Part D preferred pharmacy networks so long as they are willing to accept the contract terms and conditions. It also would require that pharmacies be reasonably reimbursed so that PBMs are not reimbursing their affiliated pharmacies more than they do other pharmacies and that reimbursement covers acquisition and dispensing costs.
- ❑ **Medicare payment for enhanced pharmacist services:** Independent pharmacies have played a large role at both the federal and state levels in testing for COVID-19 and administering COVID-19 vaccines to those in their communities and in long-term care facilities, among other offerings. To continue providing both COVID-19 testing and vaccine services, Congress should ensure that the U.S. Department of Health and Human Services (HHS) extends the authorities granted by the PREP Act declaration for pharmacists, technicians, and interns. We also urge cosponsorship of H.R. 2759/S. 1362, the *Pharmacy and Medically Underserved Areas Enhancement Act*, which would provide Medicare payment for pharmacist services in medically underserved areas.