

Federal Trade Commission Open Commission Meeting
National Community Pharmacists Association Remarks, As Prepared for Delivery
July 1, 2021

Good afternoon, commissioners.

My name is Matthew Seiler, and I am the general counsel of the National Community Pharmacists Association. NCPA's 21,000 members dispense nearly 40 percent of the nation's retail prescriptions, and 57 percent of independent pharmacies service communities that rank high or very high on the CDC's Social Vulnerability Index.

Despite these impressive numbers, community pharmacies are under attack. The three largest pharmacy benefit managers now control 77 percent of all prescriptions and are owned by or have financial affiliations with giant mail order, specialty, and pharmacy chains. The PBMs are systematically driving community pharmacies out of business through anticompetitive practices such as below-cost reimbursement and patient steering to PBM-preferred networks. This has led to pharmacy deserts. One in three neighborhoods in the 30 most populous cities are pharmacy deserts.

NCPA urges this body to take immediate action to curb the PBMs' anticompetitive conduct and the effects of consolidation and vertical integration in the pharmacy industry. Thank you.

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National Community Pharmacists Association
General Counsel