

December 13, 2021

The Honorable Ron Wyden  
Chairman  
Committee on Finance  
U.S. Senate  
221 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Chairman Wyden:

On behalf of the National Community Pharmacists Association (NCPA), we thank you for your continued focus on addressing issues surrounding anticompetitive behavior by pharmacy benefit managers (PBMs) and share your commitment to ensuring small business independent pharmacies have the ability to fairly compete in the marketplace.

NCPA represents America's community pharmacists, including 19,400 independent community pharmacies. Almost half of all community pharmacies provide long-term care services and play a critical role in ensuring patients have immediate access to medications in both community and long-term care (LTC) settings. Together, our members represent a \$67 billion healthcare marketplace, employ 215,000 individuals, and provide an expanding set of healthcare services to millions of patients every day. Our members are small business owners who are among America's most accessible healthcare providers.

NCPA applauds your vigorous review<sup>1</sup> of the Bi-Mart acquisition by Walgreens' and the impact of this consolidation on Oregon patients. Unfortunately, there are many other examples of corporations abusing market share to negatively impact locally-owned small businesses. We also thank you for your ongoing communication<sup>2</sup> with the Centers for Medicare and Medicaid Services (CMS) to address retrospective pharmacy direct and indirect remuneration (DIR) fees, which as you note have grown 91,500% from 2011 to 2019<sup>3</sup>, causing financial pressure on independent pharmacies and preventing them from serving patients – especially in rural and underserved communities.

Acknowledging the hesitancy and unwillingness of CMS to use its authority to address pharmacy DIR to date, we request you insert a provision to end retrospective DIR into the *Build Back Better* legislative package as it moves through the Senate.

We look forward to working with you to encourage both the FTC and CMS to investigate the impacts of vertical integration and the reimbursement structure in Part D. Again, on behalf of America's independent community pharmacists, thank you for your continued focus on these issues and the work you have done to bring transparency to the actions of PBMs. Please do not hesitate to contact me at [doug.hoey@ncpa.org](mailto:doug.hoey@ncpa.org) to further discuss how NCPA can be of assistance to you.

Sincerely,



B. Douglas Hoey RPh, MBA  
CEO, National Community Pharmacists Association

<sup>1</sup> Letter from Chairman Wyden to Chair Khan, December 6, 2021, <https://www.wyden.senate.gov/imo/media/doc/Pharmacy%20DIR%20Letter%20to%20FTC.pdf>

<sup>2</sup> Letter from Chairman Wyden to Administrator Brooks-LaSure, October 20, 2021, <https://www.wyden.senate.gov/download/cms-pharmacy-letter>

<sup>3</sup> NCPA Press Release citing CMS FY2022 Budget Justification, <https://ncpa.org/newsroom/news-releases/2021/06/03/its-not-typo-91500-increase-fees-heaped-pharmacies>