

# Report for Medicare Drug Price Negotiation Program and Financial Health of Pharmacy

## Executive summary:

NCPA surveyed approximately 10,450 pharmacy owners and managers between Aug. 25 and Sept. 2 to determine their attitudes on various issues, including the Medicare Drug Price Negotiation Program (MDPNP). The survey received 405 responses. Below is a summary of the findings:

- 19 percent say they have decided not to stock drugs in the MDPNP because they anticipate the program will cause cashflow problems and revenue loss.
- 67 percent say they are considering not stocking drugs in the program for the same reasons.
- When asked if they have enrolled in the Medicare Transaction Facilitator (MTF), 39 percent stated yes, their pharmacy/all their pharmacies were enrolled; 31 percent stated no, they have not begun the enrollment process; and 22 percent stated no, but they have begun the enrollment process. The remainder of respondents said that they began but gave up (4 percent), they haven't and do not know what the MTF is (4 percent), or their pharmacy does not participate in any Medicare Part D network (0.2 percent).
- When asked if they have declined one or more PBM contracts for 2026, 47 percent said yes, with the majority of those (62 percent) being from Express Scripts.
- 87 percent stated that they have not finalized all their contract year 2026 Part D contracts and do not know which plans they will be participating in.

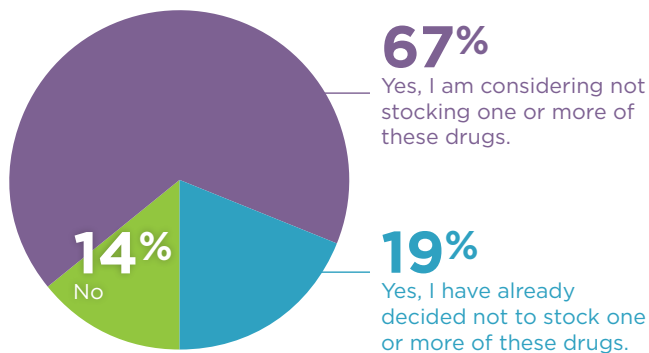
Additionally, the survey asked more general questions about the financial health of independent pharmacies. Below are the highlights:

- 35 percent said the financial health of their pharmacies declined significantly in the last year.
- 32 percent said the financial health of their pharmacies declined slightly in the last year.
- 12 percent said the financial health of their pharmacies improved in the last year.
- 80 percent said they are taking steps now to avoid insolvency.
- 87 percent said they were reducing inventory of high-dollar drugs to protect themselves against insolvency. That was by far the most common action taken by respondents.

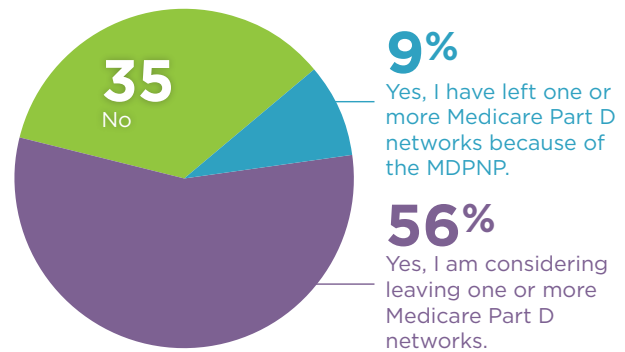
The survey also asked which PBM was causing them the most Medicare Part D financial stress. Below are the top results:

- 44 percent said Express Scripts was causing them the most financial stress.
- 30 percent said CVS/Caremark was causing them the most financial stress.
- 11 percent said Humana was causing them the most financial stress.

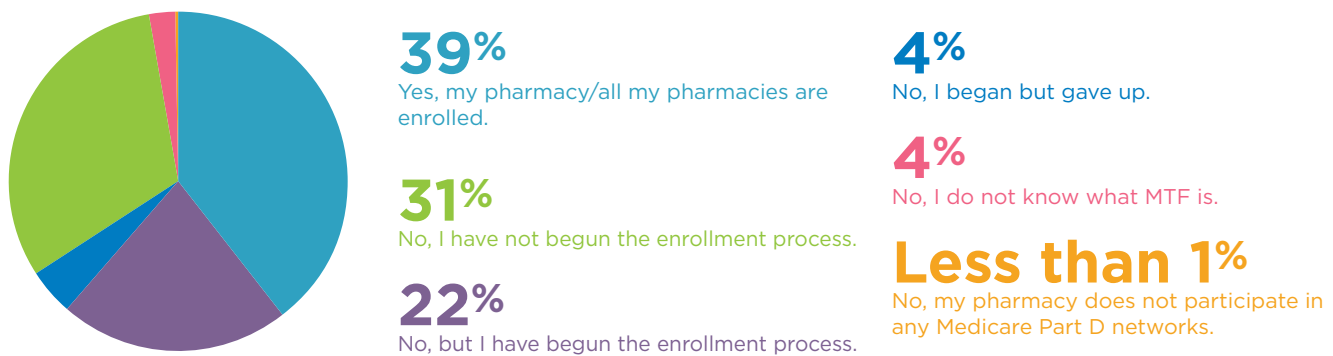
1. Based on recent research, pharmacies that participate in the MDPNP could experience serious cashflow and revenue problems. Does this affect your decision to stock these drugs?



2. Does the MDPNP affect your decision to stay in Medicare Part D?



3. The MDPNP hinges on the Medicare Transaction Facilitator (MTF) notifying manufacturers that they owe pharmacies a refund for dispensing drugs with a negotiated Maximum Fair Price. Have you enrolled in the MTF?



4. Which PBM is causing you the most Medicare Part D financial stress?

