



# 2025

## INDEPENDENT COMMUNITY PHARMACY LEGISLATIVE PRIORITIES

### THE PATIENTS BEFORE MIDDLEMEN (PBM) ACT (S. 882)

*Ensuring fair contracting practices for independent pharmacies and saving taxpayers money*

**Background:** Pharmacy benefit managers often issue lopsided contracts with pharmacies to participate in Medicare Part D, which makes up one-third of the average independent pharmacy's prescription business. These contracts frequently include unworkable terms for pharmacies, including reimbursements for less than the cost to acquire medicines. Contracts are often faxed to pharmacies and are opt-out, meaning pharmacies may end up locked in untenable contracts that imperil their ability to stay in business. PBMs also steer prescriptions to their own pharmacies rather than contracting with any pharmacy willing to participate in the network.

Furthermore, by tying compensation to the price of a drug rather than a flat or universal fee for a PBM's services, PBMs have an incentive to promote high-priced drugs, presenting further hardships for patients and for independent pharmacies when they are reimbursed under cost.

**Solution:** Ensure fair contracting practices for independent pharmacies and save taxpayers money. The *Patients Before Middlemen (PBM) Act (S. 882)*, introduced by Sens. Marsha Blackburn (R-Tenn.), Maggie Hassan (D-N.H.), and Mark Warner (D-Va.), would level the playing field. The bill:

- Requires the Centers for Medicare & Medicaid Services to define and enforce "reasonable and relevant" Medicare Part D contract terms.
- Creates a reporting process for pharmacies to submit contract violations to CMS and give the agency tools to oversee and enforce contract requirements.
- Establishes any willing pharmacy provisions, which require Part D plans to contract with any pharmacy that wants to join their network.
- Introduces a designation for "essential retail pharmacies" aiming to improve classification in rural and underserved areas.
- Delinks PBM fees from the price of a drug or other fees/rebates and instead institutes flat service fees for PBMs. This will remove an incentive for PBMs to prefer high-priced drugs, saving money for taxpayers.



Founded in 1898, the National Community Pharmacists Association is the voice for the community pharmacist, representing nearly 19,400 pharmacies that employ 215,000 individuals nationwide. Community pharmacies are rooted in the communities where they are located and are among America's most accessible health care providers. [To learn more, visit www.ncpa.org.](http://www.ncpa.org)