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Congress of the United States
House of Representatives
Washington, DC 20515-0103

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February 10, 2014

Honorable Marilyn B. Tavenner
Administrator
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW, Room 445-G
Washington, DC 20201

Dear Administrator Tavenner,

Recently I have heard from several of my community pharmacy owners who were excluded from participating in Preferred Pharmacy networks within Medicare Part D. These networks were created to increase competition in the marketplace and ultimately save the government money. Unfortunately many community pharmacies have not been allowed to participate in these.

I was encouraged to hear that the proposed rule for Part D dealt with many of the concerns that they shared with me. Not only were these community pharmacies not allowed to even try and compete with lower co-pays that larger stores can offer, but many seniors signed up for these plans not realizing they would no longer be able to continue using their community pharmacy after signing up.

Thank you for recognizing the problems that have resulted because of these very well intentioned preferred networks. Community pharmacists in my district serve many Medicare patients who consistently depend on the face-to-face counseling and adherence services that they provide. Additionally these pharmacies often locate in highly rural and low-income urban areas where some of the larger pharmacies may not. For all these reasons I think it is very important that we make sure they have the ability to compete on a level playing field with all the entities involved. I have attached letters from community pharmacies in my district and if you have any questions please contact Cameron Bishop in my office.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Rogers".

Mike Rogers (AL-03)
Member of Congress

VALLEY PHARMACY

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The Honorable Mike Rogers
United States House of Representatives
Washington D.C., USA

As a small business independent community pharmacist, I urge you to express support for a recently proposed rule by the Centers for Medicare and Medicaid Services (CMS) regarding Medicare Part D. Under the proposed rule, starting with 2015, plans with preferred networks, or those that allow some pharmacies to offer lower patient co-pays than other pharmacies, must open those plans to allow any willing provider to accept the contractual terms and conditions. Furthermore, the CMS proposal raises concerns with co-pay structures that incentivize mail order.

Independent community pharmacists have consistently expressed our view that exclusionary preferred networks and mail order incentivizing co-pays stifle competition, reduce patient access to pharmacies of their choice, and do not result in the cost savings promised by the pharmacy benefit managers (PBMs) administering the plan. Recent research by CMS itself has confirmed that the promised cost savings may not be materializing. Moreover, Medicare Part D is supported by taxpayer dollars and as such, should not be structured in such a way that excludes pharmacies ready and willing to participate under terms of the contract.

CMS' proposed rule would level the playing field and allow patients a true choice as to the pharmacy that best suits their needs, instead of being artificially steered to a pharmacy selected by the plan as "preferred".

Furthermore, the CMS proposal begins to address price spikes in generic medications by requiring PBMs to more frequently update the maximum allowable cost (MAC) list for generic reimbursements. Currently, when the cost of a generic medication spikes, PBMs are slow to update the MAC and pharmacies end up with a reimbursement far below the cost of acquisition. To make matters worse, they may still bill the plan sponsor for the higher amount and pocket the difference known as the spread. The CMS proposal helps to ensure pharmacies receive fair reimbursement based on market conditions and are able to continue to provide services to patients.

For these reasons, I urge you to voice support for the proposed rule and to consider submitting a public comment during the comment phase to commend CMS for their actions.

Thank you for your consideration of this request.

Sincerely,



Craig and Angela Moore
Owners - Valley Pharmacy & DME of East Alabama



Marble City Pharmacy

"The way a drugstore used to be..."

264 West Fort Williams Street

Sylacauga, AL 35150

Phone: 256-245-4446 / Fax: 256-245-4484

Jacob M. Johnson, PharmD; Jared K. Johnson, PharmD; Owners
Shelly M. Smith, PharmD; Daniel E. Allison, PharmD; Pharmacists
Danny R. Johnson, RPh; Founding Pharmacist

January 29, 2014

Congressman Mike Rogers
324 Cannon Office Building
Washington, D.C. 20515

Dear Congressman Rogers,

First, I want to thank you for your support of Health Care, Independent Small Business, and Pharmacy issues during your time in Washington. Your voting record in those areas is outstanding and we appreciate and applaud that record. I would like to now ask for your help with a CMS proposed rule before Congress pertaining to the Preferred Pharmacy Networks that many of the large Pharmacy Benefit Managers had set up under their 2014 Medicare D plans. Under these Preferred Networks many community pharmacies have been locked out of these networks greatly damaging our patients/customers access to the pharmacy services they are accustomed to. Here at Marble City Pharmacy our patients are now struggling to find a national chain pharmacy that can or will provide the kinds of services such as free delivery, ready access to our five pharmacists, Medication Therapy Management programs, etc. that they have enjoyed here for many years,

Many patients have been forced by the PBM's to leave us for other pharmacies not of their own choosing. We are keeping a list of these customers who are now having to use Wal-Mart, Walgreens, CVS, mail order, and others by their Managers like Wellcare, Humana, and AARP just to name a few.

We ask for your help for these, your constituents and our customers and friends, to stop these un-American free enterprise practices. We hope you can support these positions: 1- No Preferred Pharmacy Networks allowed under Medicare Part D letting all patients/customers choose their own pharmacists. 2- At the very least, forbidding closed access Networks and allowing all pharmacies to compete on a level field under Medicare Part D regulations. Any Willing Provider Laws have been passed in practically every state (Alabama for sure) and we need those laws enforced under Medicare D.

Now we need your support to fix these unfair practices. Thank you in advance for your help!

Sincerely,

Jared K. Johnson

Marble City Pharmacy; Sylacauga, AL

Phone: 334-559-2603 Email: jared@marblecitypharmacy.com