

**READY REFERENCE:  
2008 NCPA LEGISLATIVE CONFERENCE ISSUES**

**PHARMACISTS SERVE THE COMMUNITY**

- More than 23,000 independents nationwide.
- Provide over 300,000 small business jobs.
- Pharmacies provide prescription access and are a primary healthcare resource—especially in rural areas and urban centers.

**MEDICAID AND AMP**

**URGE LEADERSHIP TO DELAY AND FIX AMP**

- Medicaid cuts based on Average Manufacturers Price (AMP) will gut reimbursement to at least 36% below pharmacy acquisition cost<sup>1</sup> on average, driving as many as 12,000 community pharmacies out of business.<sup>2</sup>
  - Loss of access will increase taxpayer costs from more doctor visits, emergency room treatments and long term care costs
- Congress must pass a one-year statutory delay to the implementation of AMP right away.
- The next Congress must ultimately pass
  - legislation to fix the AMP problem, such as HR 3140 or HR 3700/S 1951.

**MEDICARE PART D AND PROMPT PAYMENT**

**URGE LEADERSHIP TO PASS PROMPT PAYMENT**

- Only 1.3 % of electronically submitted Part D claims are electronically reimbursed within two weeks of adjudication (the standard for Medicaid claims).
- Half are not paid within 30 days.
- At 60 days, 1 in 6 (17.2%) remain outstanding.<sup>3</sup>
- The giant PBMs are paid in advance by Medicare, yet payment delays have forced independents to take credit lines in the tens of thousands of dollars. Why should small-business community pharmacy be choked by the middleman?
- Congress must pass HR 1474/S 1954

**BUSINESS NEGOTIATION RIGHTS**

**PASS HR 971/S 2161**

- Independents are prohibited by anti-trust law from joining together to negotiate their PBM contracts, putting them at a serious disadvantage to much larger chains.

- This prohibition is anti-small business, anti-consumer and interferes with market forces.
- As major chains enter the PBM business, community pharmacy reimbursements—and our patients' treatment options—are now controlled by our competitors.
- A narrow antitrust exemption is needed in this unique segment of the market.
- House Judiciary Committee has already passed HR 971.
- Congress must now pass this legislation giving independents a level playing field to fairly compete.

**DRUG “TRACK & TRACE” REQUIREMENTS**

**HR 5839 MUST BE AMENDED**

- We support “Track & Trace” or “e-Pedigree” legislation that would deter counterfeiting and ensure greater patient safety.
- HR 5839 includes Federal pre-emption to create some uniform standards nationwide, which we support; however,
- Uniform and sensible licensure provisions must also be included along with a single technology standard at the retail level
- HR 5839 must be amended to fully cover the cost of a mandate on pharmacies that could total thousands per store.

<sup>1</sup> GAO~07-239R Medicaid Federal Upper Limits, 1/20/07, Page 4.

<sup>2</sup> Stephen SchondeImeyer, Pharm.D, Ph.D., in expert report to the U.S. District Court for the District of Columbia, 11/13/07, Page 8.

<sup>3</sup>Center for Pharmacoeconomic Studies, The University of Texas at Austin, “Impact of Medicare Part D on Time to Payment for Independent and Chain Store Pharmacies,” 8/07.