



FOR IMMEDIATE RELEASE
November 27, 2018

CONTACTS:
[Chris Krese](#), NACDS, (703) 837-4650
[R. Scott Brunner](#), NCPA, (404) 844-8607
[Sheila M. Arquette](#), NASP, (703) 842-0122

PHARMACY GROUPS PRAISE CMS' PROGRESS ON DIR FEE REFORM TO LOWER PATIENTS' OUT-OF-POCKET DRUG COSTS

Washington, D.C. – The National Community Pharmacists Association, the National Association of Chain Drug Stores, and the National Association of Specialty Pharmacy issued the following statement regarding the Centers for Medicare & Medicaid Services' (CMS) release on Monday of the [proposed rule](#) titled “Modernizing Part D and Medicare Advantage to Lower Drug Prices and Reduce Out-of-Pocket Expenses”:

“The proposed rule raises the need for policies related to direct and indirect remuneration (DIR) fee reform that will lower patients’ out-of-pocket costs at the pharmacy counter and lead to a more competitive and efficient Medicare Part D program. We have advocated for many of the changes related to pharmacy DIR fee reform that are discussed in the proposed rule, and we strongly commend CMS’ progress in addressing these vital issues. We believe pharmacy DIR fee reform will greatly advance the goal of the Trump administration’s Blueprint to Lower Drug Prices and Reduce Out-of-Pocket Costs - addressing the high and rising out-of-pocket costs for patients.

“We support CMS’ efforts to ensure greater drug-pricing transparency and viability for patients and pharmacies alike specifically by re-defining ‘negotiated price’ and establishing a definition of ‘price concession’ – which CMS cited in the proposed rule as important steps for reducing patients’ out-of-pocket drug costs and for enhancing the competitive balance in the Medicare Part D program. We are also pleased that CMS is considering an option to develop performance metrics from which plans and pharmacies would base their contractual agreements. A standardized pharmacy performance program should incentivize pharmacies for performing on measures based on pharmacy-specific, proven and achievable criteria, based on the drug dispensed and the disease state being managed. This would drive quality improvements and system efficiencies while also reducing unnecessary administrative burdens placed on pharmacies as a result of disparate measures and assessment methodologies by plans.

“We remain committed to continuing to work with CMS as it advances these important pharmacy DIR fee reform concepts. CMS has indicated that the related policies could be in place

for Contract Year 2020, and it is imperative for the benefit of patients and for the competitiveness and efficiency of the Medicare Part D program that pharmacy DIR fee reform take effect as soon as possible.”

###

Founded in 1898, the National Community Pharmacists Association (NCPA) is the voice for the community pharmacist, representing 22,000 pharmacies that employ 250,000 individuals nationwide. Community pharmacies are rooted in the communities where they are located and are among America’s most accessible health care providers.

The National Association of Chain Drug Stores (NACDS) represents traditional drug stores, supermarkets and mass merchants with pharmacies. Chains operate over 40,000 pharmacies, and NACDS’ nearly 100 chain member companies include regional chains, with a minimum of four stores, and national companies. Chains employ nearly 3 million individuals, including 152,000 pharmacists. They fill over 3 billion prescriptions yearly, and help patients use medicines correctly and safely, while offering innovative services that improve patient health and healthcare affordability.

The National Association of Specialty Pharmacy (NASP) is the only national association representing all stakeholders in the specialty pharmacy industry. NASP members include the nation’s leading independent specialty pharmacies, pharmaceutical and biotechnology manufacturers, group purchasing organizations, patient advocacy groups, integrated delivery systems and health plans, technology and data management vendors, wholesalers/distributors and practicing pharmacists. With over 100 corporate members and 1,200 individual members, NASP is the unified voice of specialty pharmacy in the United States.