APhA
American Pharmacists Association

October 5, 2023

The Honorable Jason Smith
Chair
U.S. House Committee on Ways and Means
1139 Longworth House Office Building
Washington, DC 20515

[Submitted electronically via: WMAccessRFI@mail.house.gov]

RE: Request for Information (RFI): Improving Access to Health Care in Rural and Underserved Areas

Dear Chair Smith:

On behalf of our nation's over 334,000 pharmacists,[1] representing licensed pharmacists in every state, the American Pharmacists Association (APhA) is pleased to submit the following comments in response to the Committee's RFI on "Improving Access to Health Care in Rural and Underserved Areas."

APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession. APhA represents pharmacists and pharmacy personnel in all practice settings, including community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care, and enhance public health.

Sustainable Provider Financing

Pharmacists are highly trained medication experts providing accessible[2] direct patient care and medication distribution nationwide in all geographical areas to under-/uninsured,[3] commercially insured, and Medicaid/Medicare-eligible patients. Pharmacists and pharmacy personnel clearly demonstrated their essential role throughout the pandemic by administering 300+ million vaccines, conducting 42+ million point of care tests, and contributing to billions of

[1] https://www.bls.gov/ooh/healthcare/pharmacists.htm
[2] https://pharmacist.com/Advocacy/Issues/Inequity-to-COVID-19-Test-to-Treat-Access-Pharmacists-can-help-if-permitted
[3] https://www.pharmacist.com/Publications/Pharmacy-Today/Article/serving-underserved-populations

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dollars in savings.[4,5] Pharmacists are one of the leading health care practitioners to have contributed to some of our nation's most daunting health care challenges, including shortages of primary care health care staff—which continues to hinder patient outcomes. As the Committee understands, patients have come to expect that they can access vital health care services at their local pharmacy, particularly in underserved communities, where the neighborhood pharmacy may be the only healthcare provider for miles.[6]

Unfortunately, pharmacists continue to operate under a fragile foundation of temporary and workaround reimbursements for services that were put in place in response to the pandemic that threatens patient access to pharmacist-provided patient care for millions of America's seniors. In addition, pharmacists and their services are not currently recognized in Medicare Part B, and coverage is variable in state Medicaid and private sector plans indicating inequitable access to coverage of these services. Accordingly, APhA strongly urges Congress to enact H.R. 1770, the Equitable Community Access to Pharmacist Services Act,[7] cosponsored by a number of bipartisan members of this Committee, to provide payment for essential pharmacist services under Medicare Part B to ensure pharmacists can continue to protect seniors from the threat of and higher hospitalization costs from infectious diseases. Under H.R. 1770, pharmacists would be reimbursed at 80% of the physician fee schedule which aligns with other sites of service, saves money for the taxpayers (Medicare), and keeps patients out of expensive emergency rooms for these common respiratory conditions. While Americans with private insurance, Medicaid beneficiaries, and even federal employees may be covered for pharmacist-provided patient care services, America's seniors on Medicare are being left behind in 28+ states. Accordingly, APhA strongly urges this Committee to hold a legislative markup to advance H.R. 1770 to ensure that one of our most vulnerable patient populations[8] in rural and underserved areas maintains access to their most accessible health care provider.[9]

As the Committee understands, inequitable reimbursement of pharmacies by pharmacy benefit managers (PBMs) in the U.S. has grown out of control, with misaligned incentives that neither benefit the patient nor lead to better health outcomes. These misalignments are causing pharmacies across the country to shut their doors, leaving patients, particularly those in rural and underserved areas, without access to their local pharmacies. As the RFI mentions, "[i]ndependent community pharmacies, a front-line access point for many rural patients, have decreased in number by more than 16 percent in the last 20 years."[10]

As a result of the predatory practices of PBMs:

- Patients' access to medications from their local pharmacist across the country has declined,[11]

[4] https://pharmacist.com/Practice/COVID-19/The-Essential-Role-of-Pharmacy-in-Response-to-COVID-19/Infographic
[5] https://pharmacist.com/Practice/COVID-19/The-Essential-Role-of-Pharmacy-in-Response-to-COVID-19
[6] https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2020.01699
[7] https://www.congress.gov/bill/118th-congress/house-bill/1770?q=%7B%22search%22%3A%22hr1770%22%7D&s=3&r=1
[8] https://www.cms.gov/data-research/statistics-trends-and-reports/national-health-expenditure-data/nhe-fact-sheet
[9] https://www.japha.org/article/S1544-3191(22)00233-3/fulltext
[10] https://www.ruralhealthresearch.org/alerts/504
[11] https://www.hirc.com/PBM-market-landscape-and-imperatives

- Taxpayer dollars have been funneled into corporate profits,[12] and
- Generationally owned community pharmacies have been driven out of business.[13]

Unfair and anti-competitive practices from PBMs and a lack of sustainable financing have contributed to an unsustainable environment for community pharmacies to keep their doors open. These practices include clawbacks (known under Medicare as direct and indirect remuneration (DIR) fees which PBMs often assess weeks, or even months, after Part D beneficiaries' prescriptions are filled, resulting in pharmacies realizing only long after the prescription was filled that they did not recoup their costs), spread pricing (overcharging the payer, underpaying the pharmacy and keeping the spread), patient steering to PBM-owned pharmacies, mandatory mail-order raising patient safety concerns, and many other concerning practices.

Under Medicare alone, pharmacy DIR fees have increased by more than 107,400 percent![14] The Medicare Payment Advisory Commission's (MedPAC) March 2023 report found that pharmacy DIR payments to PBMs in Medicare Part D were an astounding $12.6 billion for 2021—which represents a $3.1 billion (+33%) increase from the 2020 figure of $9.5 billion.[15]

Despite these clear and documented issues to patients' access to pharmacies, Congress has yet to pass the multi-committee, bipartisan Lower Costs, More Transparency Act,[16] which includes many bipartisan reforms championed by this Committee. Congress must not miss this chance to begin to put a stop to these anticompetitive PBM business practices and their enormous impact on taxpayers as they contribute to inflated prices and decreased access for patients to medications reimbursed under public health plans. For example, a recent study found that PBM tactics forced Oregon Medicaid to overpay $1.9M on a single drug, where PBMs marked up the drug by 800 percent![17]

Health Care Workforce

The United States is projected to face a shortage of up to 124,000 physicians by 2034 as the demand outpaces supply.[18] The health care workforce shortage is "more acute" in minority communities,[19] and the cost of the economic burden of health inequities in the United States has cost the nation billions of dollars.[20] The workforce shortage means the United States is not

[12] https://www.ncpa.co/pdf/state-advoc/new-york-report.pdf
[13] https://www.timesunion.com/hudsonvalley/news/article/Mom-and-pop-pharmacies-struggle-to-hang-on-16187714.php
[14] https://www.federalregister.gov/documents/2018/11/30/2018-25945/modernizing-part-d-and-medicare-advantage-to-lower-drug-prices-and-reduce-out-of-pocket-expenses
[15] https://www.medpac.gov/wp-content/uploads/2023/03/Mar23_MedPAC_Report_To_Congress_SEC.pdf#page=427
[16] https://d1dth6e84htgma.cloudfront.net/LCMT_Act_Section_by_Section_9_8_23_432347079b.pdf
[17] https://oregonpharmacy.org/2022/10/27/oregon-report/
[18] https://www.aamc.org/news/press-releases/aamc-report-reinforces-mounting-physician-shortage#:~:text=According%20to%20new%20data%20published,both%20primary%20and%20specialty%20care.
[19] https://www.aamc.org/news/what-s-your-specialty-new-data-show-choices-america-s-doctors-gender-race-and-age
[20] https://jamanetwork.com/journals/jama/fullarticle/10.1001/jama.2023.5965?guestAccessKey=d0ef4664-62ff-4b6d-a816-c450ebc07a08&utm_source=For_The_Media&utm_medium=referral&utm_campaign=ftm_links&utm_content=tfl&utm_term=051623

prepared for another pandemic. The majority of rural and underserved counties have a staffed pharmacy but no physicians, as almost 90% of these populations live within 5 miles of a community pharmacy.[21] In these communities, pharmacists are caring for patients by monitoring blood pressure, providing diabetes management, and engaging in cardiovascular risk reduction efforts and many other vital services as key access points for patients under our nation's public health infrastructure. Many state Medicaid agencies have addressed these issues by filing and receiving CMS' approval of state plan amendments to compensate pharmacists for their care services within their state scope of practice and Medicare should follow suit.

There is a solution. In order to leverage pharmacists to their full potential, as a part of an interprofessional and collaborative health care team and as a solution to addressing other health care worker gaps there is a need to recognize pharmacists as health care providers and their services, as Congress already has for many other allied health professionals, under Medicare Part B.

APhA thanks the Committee for your continued leadership in being willing to take the necessary actions to reshape our nation's health care system in order to bring new health care access to our nation's rural and underserved areas. Pharmacists and pharmacy personnel remain steadfast in providing high quality, safe, accessible, equitable, and timely patient care and medications and can serve as a solution to addressing other health care worker gaps. To do so, Congress needs to recognize pharmacists as the health care providers they are and the services they provide under Part B, take on the PBMs, and provide sustainable reimbursements for the exact same services provided by other allied health professionals (e.g., "Aligning Sites of Service"). Please contact mbaxter@aphanet.org if you have any additional questions or need additional information.

Sincerely,

Michael Baxter

Michael Baxter
Vice President, Federal Government Affairs

[21] https://www.japha.org/article/S1544-3191(22)00233-3/fulltext