The 2019 Annual Report is a comprehensive review of NCPA’s advocacy efforts on behalf of America’s independent community pharmacists over the past year. We represent our members before Congress, in the regulatory arena, in the courts, and in the states. Our work is enhanced by the grassroots efforts of NCPA members, the NCPA Legislative/Legal Defense Fund, and the NCPA Political Action Committee. The NCPA Advocacy Center works to advance policies and solutions that are pro-patient, pro-pharmacy, and pro-small business.

TABLE OF CONTENTS

On Capitol Hill and working with agencies...2
  Engagement...9
NCPA advocates for LTC pharmacy issues...9
  Legal activity...10
The engines that fuel NCPA’s advocacy success...11
  State actions...13
  Communications...18
  A landmark decision for 2020...20
Considerable progress has been made in advancing NCPA’s member-focused congressional legislative priorities, fighting on behalf of community and long-term care pharmacy owners. These priority bills gained considerable cosponsors that will help build momentum for 2020. NCPA also had the opportunity to testify multiple times before Congress and the federal agencies.

**Federal legislation**

- **Phair Pricing Act (S. 640 / H.R. 1034):** Would prohibit retroactive reductions in pharmacy payments in Medicare Part D for clean claims, and would require PBMs to report claims level data to pharmacies and HHS to develop pharmacy specific quality measures. Introduced by Sen. John Kennedy (R-La.) and Reps. Vicente Gonzalez (D-Texas) and Doug Collins (R-Ga.) (14 Senate and 73 House cosponsors).

- **Improving Transparency and Accuracy in Medicare Part D Spending Act (S. 988 / H.R. 803):** Would prohibit retroactive reductions in payments on clean claims submitted by pharmacies under Medicare Part D. Introduced by Sens. Shelley Moore Capito (R-W.Va.) and Jon Tester (D-Mont.) and Reps. Peter Welch (D-Vt.) and Morgan Griffith (R-Va.) (9 Senate and 26 House cosponsors).

- **Ensuring Seniors Access to Local Pharmacies Act (H.R. 4946):** Would allow seniors in medically underserved areas to access lower copays at any pharmacy willing to accept the Medicare Part D drug plan’s “preferred pharmacy” terms and conditions. Additionally would require claims level reimbursement transparency, prevent PBMs from reimbursing their affiliated pharmacies more than they do other pharmacies, and ensure reimbursement covers acquisition and dispensing costs. Introduced by Reps. Peter Welch (D-Vt.) and Morgan Griffith (R-Va.) (14 cosponsors).

- **Prescription Drug Price Transparency Act (H.R. 1035):** Would codify Medicare transparency provisions concerning maximum allowable costs for generics and apply them to FEHB. It would also establish a MAC appeals process and prohibit PBM requirements to use a PBM-owned pharmacy, a clear conflict of interest. Introduced by Reps. Doug Collins (R-Ga.) and Dave Loebsack (D-Iowa) (37 cosponsors).

- **Preserving Patient Access to Compounded Medications Act (H.R. 1959):** Would preserve patient access to compounded medications by directing the FDA to act within congressional intent. Introduced by Reps. Henry Cuellar (D-Texas) and Morgan Griffith (R-Va.) (41 cosponsors).

- **Drug Price Transparency in Medicaid Act of 2019: (H.R. 5281):** Would provide accountability in Medicaid managed care programs by preventing abusive spread pricing, increasing transparency, and reimbursing based on the average cost of the prescription drug. Introduced by Reps. Buddy Carter (R-Ga.) and Tony Cardenas (D-Ca.).

**Federal testimony**

- **Testimony in front of Senate Judiciary Committee:**
  NCPA’s Ronna Hauser, PharmD, vice president of policy and government affairs operations, testified before the U.S. Senate’s Judiciary Committee in December regarding tackling the opioid crisis and focusing on a whole-of-government approach. Hauser’s testimony included examples of how to expand and utilize the pharmacist’s role when determining new policies on the purchasing, dispensing, and disposal of controlled substances.
Pharmacy DIR fee reform activity

2019 was a busy year for NCPA members' number one advocacy priority — ending retroactive pharmacy DIR fees in the Medicare Part D program. Below are highlights of NCPA’s DIR advocacy work.

CMS proposed rule to eliminate retroactive pharmacy DIR fees: NCPA advocated to HHS and CMS for language that was included in the November 2018 CMS proposal. Under the proposed rule, CMS recommended amending the definition of negotiated price to require plan sponsors to include all pharmacy price concessions in the negotiated price so that the negotiated price would reflect the lowest possible reimbursement that a network pharmacy could receive from a Part D sponsor for a covered Part D drug. NCPA urged CMS that this change would effectively eliminate retroactive pharmacy price concessions, which NCPA has argued for many years have had a demonstrably negative impact on pharmacies, patients, and the government.

According to CMS, pharmacy price concessions, net of all pharmacy incentive payments, grew more than 45,000 percent between 2010 and 2017, which is why patients and pharmacies need reform and relief from DIR fees.

- **Track-and-trace at FDA**: NCPA officer Michael Kim, PharmD represented NCPA before the FDA at a listening session on upcoming requirements under the Drug Supply Chain Security Act. Kim discussed the challenges community pharmacies may face with the upcoming saleable return verification requirement and gave specific examples of how the requirement, if not implemented smoothly, could have resounding negative impact on inventory management and financial viability.

- **Members talk community pharmacy issues with SBA**: As part of NCPA’s ongoing outreach efforts with the Small Business Administration Office of Advocacy, NCPA members spoke at several regional regulatory reform roundtable discussions held around the country. NCPA Officer Justin Wilson, PharmD testified at a regulatory roundtable in Oklahoma City; pharmacy owner Natalie Bari and pharmacist Brandon Cooper represented community pharmacy at a Jonesboro, Ark., roundtable; and Robert Dozier, executive director of the Mississippi Independent Pharmacies Association, testified at a Jackson, Miss. roundtable.

In addition, NCPA member Brian Hose, owner of Sharpsburg Pharmacy in Sharpsburg, Md., testified at SBA’s National Small Business Regulatory Enforcement Fairness Hearing in Washington, D.C. The hearing was focused on unfair regulatory burdens imposed on small businesses by federal agencies. Hose testified about the dire impact DIR fees are having on his pharmacy and community.

- **NCPA team discusses compounding with FDA**: NCPA’s regulatory and policy team members Ronna Hauser and Reema Taneja testified at two FDA listening sessions to discuss pharmacy compounding. Specifically, the sessions focused on the revised draft memorandum of understanding between FDA and the states, the FDA insanitary conditions guidance, and the 503A bulks list, as well as compounding education.

To get your copy of NCPA’s DIR Advocacy Timeline please visit: [www.ncpa.co/pdf/dir-activity-timeline.pdf](http://www.ncpa.co/pdf/dir-activity-timeline.pdf)
Additionally, NCPA drove support from other pharmacists, patients, and legislators:
- Pharmacy stakeholder letter with 155 signatories
- Patient and consumer organizations with 24 signatories
- Congressional letter of support with 29 U.S. Senators and 62 U.S. Representatives

NCPA was disappointed when, in May 2019, CMS announced it would not be finalizing the proposed rule. This announcement was met with outrage from Capitol Hill with legislators in both the Senate and the House expressing their disappointment. NCPA drove support from key members of Congress for further activity to fix DIR.
- Sens. Capito (R-W.Va.) and Tester (D-Mont.) letter expressing disappointment to President Trump, signed by 28 senators
- Reps. Welch (D-Vt.), Gonzalez (D-Texas), Carter (R-Ga.), and Griffith (R-Va.) letter expressing disappointment to President Trump, signed by 105 representatives
- Senate Finance Committee letter led by Chairman Chuck Grassley (R-Iowa) and Ranking Member Ron Wyden (D-Ore.) to HHS and CMS urging reconsideration of DIR proposed rule, signed by 23 of 28 Senate Finance Committee members

An NCPA-led effort resulted in 204 pharmacy stakeholder and patient advocacy groups urging the Senate Finance Committee to include pharmacy DIR fee reform in its drug pricing legislation package.

Ultimately, good news came late in 2019 when on Dec. 6, 2019, Chairman Grassley and Ranking Member Wyden released an updated version of the Senate Finance Committee’s drug pricing package that included provisions to end retroactive DIR fees and standardize pharmacy quality measurement. NCPA will continue to push for a legislative fix in 2020, when drug pricing legislation will be top of mind in Washington D.C.

**Congressional action on NCPA issues**

**U.S. Senate Finance Committee drug pricing package:** The Senate Finance Committee voted its drug pricing package, S. 2543, the Prescription Drug Pricing Act of 2019, out of committee in July. On Dec. 6, 2019, Chairman Grassley and Ranking Member Wyden released an updated version of the package, addressing pharmacy DIR fees and spread pricing in Medicaid managed care. The following section summaries are identified by NCPA as the most important provisions for community pharmacies:
- Requires plans and their PBMs to include in a pharmacy’s negotiated price all pharmacy price concessions (both contingent and non-contingent), excluding any post-point-of-sale positive incentive payments paid to pharmacies
- Requires HHS to create standardized quality metrics for payments made to a pharmacy (aka incentive payments) and for payments taken from a pharmacy (aka pharmacy price concessions)
- Requires reimbursements in state Medicaid managed care programs to be no less than reimbursements in the states’ fee-for-service program (NADAC + dispensing fee)
- Requires PBMs to disclose rebates as well as all direct and indirect remuneration fees
- Requires plans to be liable for more costs once a beneficiary enters the Part D catastrophic phase

**Prescription drug pricing transparency bills in the U.S. House:** The U.S. House unanimously passed a pair of NCPA-endorsed drug pricing transparency bills in 2019. The bills would shine a light on rebates and DIR fees and obtain more data on how PBMs may be contributing to higher drug prices.
• H.R. 2115, the Public Disclosure of Drug Discounts Act, sponsored by Reps. Abigail Spanberger (D-Va.), Jodey Arrington (R-Texas), and Brendan Boyle (D-Pa.), would require PBMs to disclose the aggregate amount of rebates, discounts, and price concessions that PBMs negotiate with drug manufacturers, and make this information publicly available. NCePA was the only national organization to endorse the bill and was quoted in Rep. Spanberger’s press release on the bill.

• H.R. 1781, the Payment Commission Data Act, sponsored by Rep. Carter (R-Ga.), would provide drug pricing and rebate data to the Medicare Payment Advisory Commission and the Medicaid and CHIP Payment and Access Commission. Access to this data would help the independent commissions provide better policy recommendations to Congress.

Congress repeals Health Insurance Tax: In the year-end spending package, Congress finally repealed the Health Insurance Tax, or “HIT,” a tax imposed on health insurance premiums through the Affordable Care Act. The HIT resulted in skyrocketing health insurance costs disproportionately skewed to hurt small businesses and middle-income Americans. As a member of the Stop the HIT coalition, NCePA has worked with partners for several years to secure permanent repeal of the tax to help make health care more affordable for small business pharmacies and their employees.

House Judiciary Committee investigates impact of consolidation in health care markets: The House Judiciary Subcommittee on Antitrust, Commercial and Administrative Law held a hearing titled, “Diagnosing the Problem: Exploring the Effects of Consolidation and Anticompetitive Conduct in Health Care Markets.” A major focus of the hearing was the negative impact of the vertical integration of major plans and chain pharmacies. Ranking Member Collins (R-Ga.) criticized PBMs for failing to lower drug costs as they claim to do. Collins said, “These companies have consolidated horizontally as well as vertically ... and they have merged vertically with major pharmacies and health insurers. That means patients’ insurers have financial incentives to push the patient toward their pharmacies.” NCePA submitted a statement for the record laying out a detailed case on why consolidation in the PBM and health care industry, including the CVS-Aetna merger, has increased costs for patients and harmed community pharmacies.

Independent pharmacy special order on House floor: Community pharmacy champion Rep. Carter (R-Ga.) led a series of Special Order speeches on the House floor to show support for the administration’s efforts to take on the PBMs in the proposed DIR and rebate rules. He was joined in the effort by Reps. Rick Allen (R-Ga.), Neal Dunn, MD (R-Fla.), Roger Marshall, MD (R-Kan.), and Austin Scott (R-Ga.).

Congressional briefings on drug price transparency and DIRS: NCePA participated in congressional briefings this past year, joining the Alliance for Transparent and Affordable Prescriptions, the Food Marketing Institute, and the National Association of Chain Drug Stores. The focus of the briefings was prescription drug affordability for patients and the negative impact PBM practices have on community pharmacies and their patients. One briefing was specifically for members of the GOP Doctors Caucus.

NCPA On the Hill: In the last 12 months NCePA has participated in 442 congressional meetings and submitted written statements for 11 committee hearings.

Federal regulatory comments
NCePA’s policy and regulatory team submitted 50 agency comments, statements, and letters over the past year. The team also attended 25 in-person meetings with agency officials. The following are highlights of NCePA’s regulatory communications with agencies:

Medicaid managed care proposed rule: NCePA submitted comments in response to CMS on proposed changes to the Medicaid and CHIP managed care program. The comments focused on changes to network adequacy standards, federal and alternative quality rating systems in Medicaid, delivery system and provider payment initiatives, and accountability and program integrity in sub-contractual relationships between managed care organizations and PBMs. Additionally, the comments urged more oversight of sub-contractors, like PBMs, by state Medicaid agencies. The rule is currently still under review and has not been finalized.
NCPA commented on CMS’ draft call letter for 2020: Of note, NCPA advocated for pharmacies to be measured by pharmacy-specific quality metrics in lieu of the current STAR measures developed for health plans. NCPA also highlighted the need for CMS to ensure that administrative fees (such as “network access fees,” “administrative fees,” “technical fees,” or “service fees”) are included in a Part D plan’s bid and are not retroactively charged to pharmacies at a later date.

NCPA supports HHS’ proposed rebate pass thru rule with minimum requirements in place: NCPA emphasized that while NCPA stands with the administration in its efforts to lower drug prices, several “minimum requirements” are needed to eliminate the barriers inhibiting community pharmacists’ relationships with patients. These requirements included fixing pharmacy DIR, timely payments, increasing transparency and financial viability, appropriate agency oversight of implementation, protections for small business, and the opportunity for independent community pharmacies to choose their business partners. Ultimately, the administration withdrew the proposal.

NCPA’s CBD comments requested clear guidance and enforcement from the FDA: The comments requested that the FDA provide the retail industry with clear guidance on the quality and labeling standards for CBD products across all retail stakeholders. NCPA also encouraged FDA to coordinate with states on the regulation of CBD products and consult pharmacists should the FDA seek to develop clinical guidelines for CBD products.

NCPA asks FDA to reconsider processes and bulk drug substances under 503A: NCPA recommended that FDA revise its process to develop the list of bulk drug substances as there is a lack of clear guidance. Further, NCPA supported the addition of six substances to the final list: 7-Keto Dehydroepiandrosterone (DHEA), Acetyl-L-Carnitine (ALC), Chondroitin Sulfate, Chrysin, Deoxy-D-Glucose, and Kojic Acid.

NCPA cautioned against unit-of-use packaging: NCPA asked the FDA to carefully consider the implications of such packaging on the LTC community, as many LTC pharmacists conduct their own unique packaging of medications to best serve their patients. NCPA also asked the FDA to clarify that any blister packaging requirements would not affect current manufacturer bulk packaging practices.

NCPA advocated for the pharmacist’s role in preventing opioid abuse: NCPA stressed in comments to CMS that community pharmacists are experienced and well-versed in helping treat patients with acute/chronic pain and substance use disorders, but that our ability to provide opioid abuse services is sometimes limited due to regulatory barriers.

NCPA urged HHS OIG to include pharmacies under new safe harbors: HHS released two proposed rules on Oct. 9, 2019 to modernize and clarify the regulations that interpret the Federal Anti-Kickback Statute (AKS) and Physician Self-Referral Law (Stark Law). Of concern to community pharmacy was OIG’s proposal to not include pharmacies under its new value-based arrangement safe harbors. NCPA provided numerous examples of how pharmacies are successfully providing value-based services to their patients on a regular basis through medication adherence counseling, chronic disease management, and by participating in clinically integrated networks.
ADVOCACY CENTER STAFF DIRECTORY

THE NCPA ADVOCACY CENTER
As The Voice of the Community Pharmacist®, NCPA harnesses the power of thousands of community pharmacists to advocate for you and the patients you serve. From the state house to the White House, and from Congress to the courts, NCPA’s Advocacy Center has got your back.

KARRY LA VIOLETTE
Advocacy Center Director & Senior Vice President, Government Affairs
703-600-1180
karry.laviolette@ncpanet.org
• Federal and state legislative and regulatory advocacy strategy
• Public affairs strategy and outreach
• Political strategy
• U.S. Senate and House of Representatives lobbying
• NCPA Political Action Committee Treasurer

RONNA HAUSER, PHARMD
Vice President, Policy & Government Affairs Operations
703-838-2691
ronna.hauser@ncpanet.org
• NCPA Committee on Compounding
• Federal and state regulatory and legislative strategy
• Public policy initiatives and strategy
• Professional affairs relationships and activities, including CMS, DEA, DHA, FDA, and HHS
• Pharmacy Quality Alliance Board of Directors

ANNE CASSITY, JD
Vice President, Federal & State Government Affairs
703-838-2682
anne.cassity@ncpanet.org
• NCPA Committee on National Legislation
• Federal government affairs
• U.S. Senate and House of Representatives lobbying

REEMA TANEJA, JD
Director, Policy & Regulatory Affairs
703-838-2669
reema.taneja@ncpanet.org
• Federal legislative and regulatory review, legal research, comment, testimony, and correspondence
• Public policy positions
• Legislative and regulatory issue tracking at federal level
• Medicare Part B, diabetes, long-term care pharmacy

ADAM HARBISON
Director, Congressional Affairs
703-600-1183
adam.harbison@ncpanet.org
• U.S. Senate and House of Representatives lobbying
• Patient Access to Pharmacist Care Coalition Steering Committee
• DQSA Coalition

MUSTAFA HERSI, ESQ.
Vice President & General Counsel
703-600-1221 (direct)
mustaфа.hersи@ncpanet.org
• NCPA legal counsel

ANNE CASSITY, JD
Vice President, Federal & State Government Affairs
703-838-2682
anne.cassity@ncpanet.org
• State government and regulatory affairs
• State policy initiatives
• State political strategy

MATT MAGNER, JD
Director, State Government Affairs
703-600-1186
matthew.magner@ncpanet.org
• NCPA Committee on State Legislation
• Bill review and drafting
• Model legislation
• State-level PBM oversight and regulation
• Testimony and letters of support/opposition
• Medicaid fee-for-service and managed care

ADEMOLA ARE, PHARMD
Manager, State Government Affairs
703-600-1179
ademola.are@ncpanet.org
• State legislative and regulatory activity tracking
• Bill review
• State issue briefs and resources
• State boards of pharmacy
• Testimony and letters of support/opposition
• Compounding
• Scope of practice
Communications & Public Affairs

JACK MOZLOOM
Vice President, Public Affairs & Marketing
703-600-1177
jack.mozloom@ncpanet.org
• Communications strategy and execution
• Marketing strategy and execution
• Public and media relations

MICHAEL ABERNETHY
Creative Director
703-600-1187
michael.abernethy@ncpanet.org
• NCPA branding
• Creative development and design
• Creative director, America’s Pharmacist® magazine

JAYNE CANNON
Director, Communications
704-840-3768
jayne.cannon@ncpanet.org
• qAM daily news service
• Assignments editor, America’s Pharmacist® magazine
• Op-ed writer
• General writing and editing

ADAM KENNEDY
Director, E-Communications
703-838-2674
adam.Kennedy@ncpanet.org
• ncpanet.org
• Electronic communication
• NCPA mobile app

CHIRS LINVILLE
Managing Editor, America’s Pharmacist® Magazine
703-838-2680
chris.linville@ncpanet.org
• America’s Pharmacist® magazine content
• NCPA Digest contributor
• General writing and editing

ANDIE PIVARUNAS
Director, Public Affairs
703-600-1174
Andrea.Pivarunas@ncpanet.org
• Media relations
• NCPA spokesperson
• Press releases, op-eds and blogs
• Social media

TYLER POIRIER
Design Manager
703-838-2672
tyler.poirier@ncpanet.org
• NCPA branding
• Educational materials development
• America’s Pharmacist® magazine designer

DANIEL FINCH
Marketing Manager
703-838-2686
daniel.finch@ncpanet.org
• Event and product marketing
• Social media marketing

Political & External Affairs

ERIC LUNDBERG
Senior Director, Political & External Affairs
703-600-1184
eric.lundberg@ncpanet.org
• NCPA PAC and Legislative/Legal Defense Fund
• NCPA Congressional Pharmacy Summit
• External public policy relationships
• Grassroots initiatives

MICHAEL RULE
Associate Director, Grassroots & External Affairs
703-838-2671
michael.rule@ncpanet.org
• Pharmacy visits by members of Congress
• Federal and state grassroots calls-to-action
• Grassroots issue briefs
• Third-party advocacy
• Federal advocacy materials
**ENGAGEMENT**

**Grassroots engagement**

**Health and Human Services Secretary visits a community pharmacy:** HHS Secretary Alex Azar visited NCPA member pharmacy Chateau Drugs and Gifts in Metairie, La., where he touted the administration’s continuing work to lower prescription drug costs. Chateau’s owners Kerry and Diane Milano were there, along with a number of other community pharmacists from the area, NCPA’s Ronna Hauser, PharmD, and representatives with the Louisiana Independent Pharmacies Association.

**NCPA members provide first-hand view of community pharmacy to policymakers:** NCPA members hosted 84 pharmacy visits with members of Congress or their key staff to provide a first-hand view of the importance of community pharmacy in the health care system and the challenges these pharmacies face. These included visits with the following members of the Senate Finance Committee or their staff: Sens. Sherrod Brown (D-Ohio); Richard Burr (R-N.C.); Ben Cardin (D-Md.); John Cornyn (R-Texas); James Lankford (R-Okla.); Rob Portman (R-Ohio); Debbie Stabenow (D-Mich.); John Thune (R-S.D.); Pat Toomey (R-Pa.); Mark Warner (R-Va.); and Ron Wyden (D-Ore.), the committee’s Ranking Member. On the House side, key visits included Reps. Frank Pallone (D-N.J.), chairman of the Energy and Commerce Committee; Lloyd Doggett (D-Texas), chairman of the Ways and Means Health Subcommittee, and Michael Burgess (R-Texas), ranking member of the Energy and Commerce Health Subcommittee.

**NCPA members demand policy action:** NCPA members sent over 16,500 messages to legislators or regulatory dockets in response to more than 30 calls to action from NCPA. Nine of these calls to action were related to state issues and sent at the request of our state association partners. Major calls to action pertained to generating member comments for the proposed Part D rule, generating congressional support for the proposed Part D rule and encouraging congressional action to address pharmacy DIR fees. At the state level, calls to action primarily dealt with Medicaid managed care reform.

**Senate Finance Committee ranking member visits multiple independent pharmacies:** Sen. Ron Wyden (D-Ore.), ranking member of the Senate Finance Committee, visited six community pharmacies during his travels of the state during the August recess. NCPA Chairman Michele Belcher, owner of Grants Pass Pharmacy in Grants Pass, Ore., spearheaded the senator’s participation and attended several of these visits. Earlier in the year, Sen. Wyden visited Grants Pass Pharmacy and that visit was also attended by NCPA’s senior vice president of government affairs, Karry La Violette.

**NCPA ADVOCATES FOR LTC PHARMACY ISSUES**

NCPA is focused on the important role of independent pharmacies in meeting the needs of patients in LTC settings. NCPA’s Advocacy Center works closely with NCPA’s LTC Division to advocate for closed-door and LTC community hybrid pharmacies.

NCPA continues to advocate for recognition and payment of “medical at home” services, LTC-like services provided to homebound patients. NCPA is urging CMS to issue guidance recognizing the medical at home level of service. An NCPA-led stakeholder letter was sent to CMS in October and was followed up with an in-person meeting.

NCPA also advocates for LTC pharmacies in regards to antipsychotic medication use in nursing homes, appropriate LTC definition, CMS and PBM reimbursement issues, ensuring patient access when combatting the opioid crisis, short-cycle requirements, nurse-as-agent, and utilizing the role of LTC pharmacists in chronic care management.

InTouch Pharmaceuticals and owner Rick Rondinelli hosts NCPA’s LTC Division meeting in Valparaiso, Ind.
NCPA takes the Hill with a successful Fly-In: Hundreds of community pharmacists from 39 states attended the 2019 Congressional Pharmacy Fly-In and visited more than 260 congressional offices for meetings with members of Congress or staffers; because many of those meetings were attended by multiple pharmacists, the effect amounts to more than 600 interactions with members of Congress or their staff during the two-day event. Prior to visiting the Hill, attendees were addressed by HHS Secretary Alex Azar who delivered a rousing address stressing the importance of community pharmacists in the health care system.

NCPA informs members how to be grassroots advocates: In August, Eric Lundberg, NCPA senior director of political and external affairs, presented at NCPA's inaugural pharmacy roundtable meeting in Buffalo, N.Y. The event was cohosted with NCPA past president and PAC chairman Steve Giroux and was a great success. Twenty-eight attendees received an overview of the NCPA Advocacy Center, identified how they (students and/or pharmacists) could be involved in advocacy, and then received an update on the NCPA PAC.

External stakeholder engagement

NCPA Advocacy Center staff participates in stakeholder events: Over the course of 2019, NCPA Advocacy Center staff participated in more than 45 outside events with outside organizations. The events provided an opportunity for NCPA to engage with these organizations on pharmacy priorities such as addressing pharmacy DIR fees. Key opportunities included:

- NCPA educates consumer organizations on benefits of pharmacy DIR fee reform: NCPA cohosted a briefing with NACDS for consumer and patient advocacy organizations on the pharmacy DIR aspects of the proposed “Modernizing Part D and Medicare Advantage to Lower Drug Prices and Reduce Out of Pocket Expenses” rule.
- NCPA engages with American Medical Association: NCPA staff participated as a panelist at the American Medical Association’s Council on Medical Service discussion on drug pricing.
- NCPA conducts DIR webinar for Community Health Centers: NCPA staff met with the National Association of Community Health Centers to discuss common interests on DIR. NCPA subsequently conducted a webinar for their members.

Arkansas PBM law going to Supreme Court: NCPA worked with the United States Solicitor General’s office and encouraged the office to support Supreme Court review of an Eighth Circuit ruling that invalidated an Arkansas PBM law. Ultimately, the office of the Solicitor General filed an amicus curiae brief on behalf of the federal government arguing that the Supreme Court should review the Eighth Circuit’s holding that ERISA preempts state laws that regulate PBM-pharmacy reimbursements. In the view of the federal government, the Eighth Circuit’s ruling is “incorrect” and “contrary to (the Supreme) Court’s precedent and the decisions of other courts of appeals.” Further, in the brief, the federal government urges the Supreme Court to review the Eighth Circuit’s incorrect ruling, one in which NCPA partnered with the Arkansas Pharmacists Association in filing an amici curiae brief supporting Arkansas against PCMA.

Ongoing Washington state lawsuit: NCPA continued its support for increasing dispensing fees in Medicaid in Washington state. Last year, CMS rejected the state’s efforts to set arbitrarily low dispensing fees in the Medicaid program, which the state appealed. NCPA’s legal team supported the Washington State Pharmacists Association in defending CMS’s rejection of the arbitrary dispensing fee and earlier filed a joint brief with NACDS and the Washington State Pharmacists Association.

Provided support to several states defending lawsuits brought by PBMs seeking to overturn certain state laws.
THE ENGINES THAT FUEL NCPA’S ADVOCACY SUCCESS

The NCPA Legislative/Legal Defense Fund

Have you ever marched down to city hall or the state capital and stamped your foot and gotten exactly what you wanted? Probably not, because it doesn’t often work that way – not locally, and not in Congress. In our political system, there’s strength and influence in numbers. That’s why, when community pharmacists’ nationwide band together – when we pool our votes and our relationships and our checkbooks – we can get stuff done in Washington, D.C. and in state capitals.

NCPA’s Legislative/Legal Defense Fund supports our entire advocacy operation: research, lobbyists, attorneys, communications, the whole ball of wax. The better funded the LDF, the more resources and influence we can put toward getting our priority legislation passed, friendly regulations adopted, and defending your practice in key litigation.

Major investors in the LDF for calendar year 2019 included the following. To become one of them, visit www.ncpanet.org/ldf and invest.

LDF PLATINUM
($200,000 or more in corporate funds annually)
AmerisourceBergen Corporation
Compliant Pharmacy Alliance Cooperative

LDF GOLD
($100,000 or more in corporate funds annually)
Cardinal Health

LDF SILVER
($50,000 or more in corporate funds annually)
American Associated Pharmacies
American Pharmacy Cooperative, Inc.
Independent Pharmacy Cooperative
McKesson Corporation
PCCA

LDF BRONZE
($5,000 or more in corporate funds annually)
American Pharmacy Services Corporation
Georgia Academy of Independent Pharmacy/ Georgia Pharmacy Association
Innovatix
PBA Health

LDF MVP
($5,000 or more annually)
Buford Abeltd
Ralph Balchin
Jay Blackburn
Jeff Carson
Ketan Chaudhasi
Tim Finley
Robert Greenwood
Tom Haas
Cynthia Hedden
Bob Mabe
Nicole McNamee
Mike Minesinger
Gary Wiens

The NCPA Political Action Committee

The NCPA PAC supports candidates who think as you do, who understand the challenges of running a business and squeezing every nickel, so you can serve your patients well. Supporting those candidates means funding campaigns, and that’s what the NCPA PAC does. To be effective requires a strong, well-funded PAC. Your personal investment in the NCPA PAC means it will have enough money to help fund congressional campaigns and build NCPA influence. Pro-pharmacy elected officials will be much more willing to consider the evidence we present concerning PBM abuses – and do something about it.

PAC highlights

• NCPA PAC participates in over 300 events: Through the support of NCPA members, NCPA staff and members participated in over 300 events to support U.S. House and Senate candidates in Washington, D.C. and across the country and urge progress on pharmacy DIR fees while also not ceding any ground to the PBMs.

• NCPA PAC raises over $20,000 for community pharmacy champion: NCPA PAC hosted a fundraising breakfast during the NCPA Steering Committee Forum for Sen. Joni Ernst (R-Iowa). With the generous support of NCPA members in attendance, we were able to raise over $23,000 for the senator’s reelection efforts.

Sen. Joni Ernst (R-Iowa)
Nearly $40,000 raised for the only pharmacist in Congress:
NCPA PAC hosted a breakfast fundraiser for Rep. Buddy Carter (R-Ga.) in conjunction with NCPA’s Annual Convention. Nearly 100 NCPA members greeted Rep. Carter, the only pharmacist in Congress, raising over $38,000 for his reelection campaign.

NCPA members host fundraiser for key member of Congress:
NCPA members Kelly and Nancy Selby, owners of Community Pharmacy in Denton, Texas, hosted dozens of pharmacists and pharmacy allies at a fundraiser in their home for Rep. Michael Burgess (R-Texas). Burgess serves as the ranking member of the Energy and Commerce Health Subcommittee. He allowed area pharmacists to express their concerns and spoke directly about the political landscape in Washington.

NCPA PAC volunteers raise over $100,000 for NCPA PAC:
This year’s NCPA PAC telethon was a whopping success, raising over $111,000 in funds and pledges that will be used to elect pro-pharmacy candidates. This represents a 26 percent increase in results year over year. More than 20 pharmacy owners from all over the nation volunteered their time for April’s telethon, coming to NCPA offices in Alexandria to make calls, including:

- Megan Baker
- Aj Bhatt
- Audra Conwell
- Stephen Giroux
- Carter High
- Edmund Horton
- Cathy Hudek
- Michael Kim
- Matt Lester
- Nasir Mahmood
- Jonathan Marquess
- Ben McNabb
- Dared Price
- Kristen Riddle
- Mark Riley
- Nate Rockers
- Cole Sandlin
- Matt Savoie
- Troy Simons
- Marco Stovall
- Christian Tadrus
- Leighton Thumm
- Hashim Zaibak

NCPA’s PAC helps support pharmacy champions such as Rep. Buddy Carter (R-Ga.), the only pharmacist in Congress.

NCPA’s PAC continues to be the largest pharmacy association PAC. However, through mergers and acquisitions, the PBMs continue to outpace both NPCA PAC and the PACs of a number of retailers.
Following are major investors in the NCPA PAC for calendar year 2019. To learn more about the PAC, visit www.ncpanet.org/pac.

PAC MVP INVESTORS
($5,000 in personal funds annually)
Jay Blackburn
Jeff Bray
Jeff Carson
Brian Caswell
Hugh Chancy
Charles Cottrell
Boyd Ennis
Stephen Groux
Robert Greenwood

PAC CHAMPION INVESTORS
($2,500 or more in personal funds annually)
Ralph Balchin
Toni Bari
Michele Belcher
Ralph Bouvette
Hubert Bryan
C. Mel Collier
Danny Dang
Victor Johnson
Karry La Violette

PAC TO PAC CORPORATE PARTNERS
($5,000 transferred annually)
AmerisourceBergen Corporation Political Action Committee
Kinney Drugs For A Healthier America Political Action Committee
McKesson Corporate Employees Political Fund

The NCPA PAC helps us support our champions on Capitol Hill who are fighting for you: NCPA organized several successful fundraisers with the help of industry partners or members like you who contributed personally to the campaigns of the following community pharmacy champions:

Rep. Michael Burgess (R-Texas)
Sen. Shelley Moore Capito (R-W.Va.)
Rep. Buddy Carter (R-Ga.)
Rep. Doug Collins (R-Ga.)
Sen. Joni Ernst (R-Iowa)
Rep. Vicente Gonzalez (D-Texas)
Rep. Frank Pallone (D-N.J.)
Rep. Lisa Blount Rochester (D-Del.)
Sen. Mike Rounds (R-S.D.)
Rep. Peter Welch (D-Vt.)

STATE ACTIONS

CMS issues guidance addressing PBM spread pricing in Medicaid and CHIP: After intense lobbying by NCPA and its partners, CMS issued guidance for Medicaid and CHIP managed care plans which effectively eliminated spread pricing in Medicaid managed care. The guidance clarified that the amount retained from a pharmacy benefit manager under “spread pricing” must be excluded from the total amount of actual claims used in calculating managed care plans’ Medical Loss Ratio.

Michigan proposes carving-out the pharmacy benefit: Michigan proposed the change because it found that the move “will result in cost savings” and “result in significantly streamlined administration” of Medicaid benefits. This step will increase patient access to pharmacy services, save taxpayer money, and result in competitive pharmacy reimbursements that are tied to NADAC plus a professional dispensing fee.

Kentucky report finds that carving pharmacy benefits out of Medicaid managed care would save $237.5 million per year: A study commissioned by the Commonwealth of Kentucky Cabinet for Health and Family Services determined that carving pharmacy benefits out of the Medicaid managed care program would save $237.5 million per year. The state’s portion of the savings would be $44.7 million.
West Virginia Medicaid saves $54.4 million with prescription drug carve-out: The West Virginia Bureau for Medical Services released a report showing savings of $54.4 million to the state Medicaid program for the first year of the carve-out of prescription drug benefits from Medicaid managed care, while paying pharmacies an additional $122 million in dispensing fees.

National Association of Insurance Commissioners considering PBM model bill: Building upon 2018 success with the National Council of Insurance Legislators, NCPA has focused its efforts on the insurance regulators. NAIC formed a PBM working group to draft model legislation, and NCPA has been working to assist through formal testimony before NAIC, individual meetings with state regulators, and meetings with NAIC staff.

National Council of Insurance Legislators model PBM legislation makes an impact: NCOIL adopted model PBM legislation in December 2018, and in just a few short months, variations of this model bill were introduced in a quarter of the states, where six of those states passed NCOIL-based legislation. As immediate past president of NCOIL, Arkansas state Sen. Jason Rapert (R) was instrumental in NCOIL’s adoption of this model legislation. NCPA staff testified multiple times before NCOIL’s Health, Long-Term Care and Health Retirement Issues Committee focusing on how opaque PBM contract provisions lead to increased costs for patients and plan sponsors and unsustainable reimbursements for pharmacies.

We are stronger when we work together and share knowledge. NCPA is proud to have participated in the following state and regional meetings:

- Alliance for Transparent & Affordable Prescriptions
- Allied Against Opioid Abuse
- AmerisourceBergen Corporation ThoughtSpot
- American Medical Association
- American Society of Consultant Pharmacists
- Arkansas Pharmacists Association
- California Pharmacists Association
- Cardinal Health RBC
- Coalition of State Rheumatology Organizations
- Computer-Rx
- Currus Independent Pharmacies of Kansas
- EPIC Pharmacies
- Florida Pharmacy Association
- GeriMed
- Healthcare Distribution Alliance
- Integra
- Iowa Pharmacy Association
- Michigan Pharmacists Association
- Mississippi Independent Pharmacies Association
- Missouri Pharmacy Association
- National Academies of Science, Engineering and Medicine
- National Alliance of State Pharmacy Associations
- National Association of Insurance Commissioners
- National Conference of State Legislatures
- National Council of Insurance Legislators
- North Carolina Association of Pharmacists
- North Carolina Mutual Drug
- Northeast Pharmacy Service Corporation
- Pharmacists Society of the State of New York
- Smith Drug
- Southeastern Pharmacy Officers Conference
- Tennessee Pharmacists Association
- Texas Pharmacy Association
- Virginia Pharmacists Association
- West Virginia Pharmacists Association

Collaboration with state and regional partners

NCPA worked in conjunction on advocacy efforts with partners such as:
Alabama Pharmacy Association
Alliance of Independent Pharmacists of Texas
American Pharmacy Cooperative, Inc.
Arizona Pharmacy Association
Arkansas Pharmacists Association
California Pharmacists Association
Colorado Pharmacists Society
Connecticut Pharmacists Association
Florida Pharmacy Association
Garden State Pharmacy Owners
Georgia Pharmacy Association
Illinois Pharmacists Association
Independent Pharmacy Alliance
Independent Pharmacy Cooperative
Indiana Pharmacists Association
Iowa Pharmacy Association
Kansas Pharmacists Association
Kentucky Pharmacists Association
Louisiana Independent Pharmacy Association
Maryland Pharmacists Association
Massachusetts Independent Pharmacists Association
Michigan Pharmacists Association
Minnesota Pharmacists Association
Mississippi Independent Pharmacies Association
Missouri Pharmacy Association
Nebraska Pharmacists Association
New Jersey Pharmacists Association
New Mexico Pharmacists Association
New Mexico Pharmacy Business Council
North Carolina Association of Pharmacists
Northeast Pharmacy Service Corporation
Ohio Pharmacists Association
Oklahoma Pharmacists Association
Oregon State Pharmacy Association
Pennsylvania Pharmacists Association
Pharmacists Society of the State of New York
Pharmacy Society of Wisconsin
Small Business Pharmacies Aligned for RXReform
South Carolina Pharmacy Association
South Dakota Pharmacists Association
Tennessee Pharmacists Association
Texas Pharmacy Association
Texas Pharmacy Business Council
Virginia Pharmacists Association
Washington Pharmacy Association
West Virginia Independent Pharmacy Association
Wyoming Pharmacy Association
State legislation

NCPA’s state legislative priorities were Medicaid managed care reform, PBM reform, and expansion of scope of practice. Since the beginning of 2019, NCPA’s state government affairs team has partnered with 43 states, providing bill review, model legislation, letters of support (or opposition), direct lobbying with state legislators, and grassroots support on state legislation.

As a result, 58 priority bills passed in 38 states. Those bills are reflected below, along with other key legislation passed in the states. Up-to-date information on legislation can be found by visiting [http://www.ncpa.co/pdf/2019-state-legislative-wins-com-pharm.pdf](http://www.ncpa.co/pdf/2019-state-legislative-wins-com-pharm.pdf) and clicking on the bill number.

MEDICAID MANAGED CARE REFORM

Arkansas: Prohibits a PBM from reimbursing the ingredient component at a rate less than NADAC.

California: Carves pharmacy benefits out of the Medicaid managed care program by 2021.

Louisiana: Authorizes the department of health to carve pharmacy benefits out of the Medicaid managed care program.

Maryland: Requires the Maryland Medical Assistance Program to conduct an independent audit of the PBMs in the Medicaid managed care program.

Massachusetts: Requires the secretary of Health and Human Services to investigate and develop a report for increasing transparency on PBM services in the Medicaid program.

New York: Prohibits a PBM in the Medicaid managed care program from engaging in spread pricing.

North Dakota: Provides the Medicaid agency with full access to data regarding payments to PBMs and pharmacies under the Medicaid managed care program.

Ohio: Requires the state to contract with a single PBM to administer Medicaid managed care benefits; prohibits the PBM from requiring patients to use its own specialty pharmacies; allows pharmacists to appeal reimbursement disputes to the state; reinvests $100 million into the pharmacy community in the form of supplemental dispensing fees.

Virginia: Requires Medicaid managed care organizations to provide data regarding payments to PBMs, pharmacy reimbursements, fees, rebates, and other pricing information.

PBM REFORM

PBM registration/licensure

Requires a PBM to register with the state prior to operating or conducting business in the state. Delaware, Maine, Minnesota, New York, South Carolina, West Virginia

Fair Pharmacy Audits

Creates and/or strengthens the state’s fair pharmacy audit provisions.

Louisiana, New Mexico, Rhode Island, Tennessee, Virginia, West Virginia

Transparency/Disclosure

Arkansas: Applies the state’s MAC transparency laws to all PBM reimbursement methodologies; prohibits a PBM from conducting spread pricing; requires a PBM to disclose to the state information concerning rebates and reimbursements.

Arizona: Requires a PBM to update MAC lists every seven business days and to establish a reimbursement appeal process.

Delaware: Strengthens existing MAC transparency laws.

Georgia: Requires a PBM to pass rebate savings on for the benefit of patients and to provide an annual report to all clients regarding aggregate rebate information.

Iowa: Requires a PBM to file with the insurance commissioner an annual report regarding its prescription drug benefit services.

Louisiana: Prohibits spread pricing unless the PBM provides biannual notice to the policyholder of the aggregate amount of the spread; creates a PBM monitoring advisory council to investigate complaints against PBMs. Authorizes a pharmacist to decline to dispense a drug if the PBM reimburses the pharmacy in an amount less than the acquisition cost of the drug.
Maryland: Requires a PBM to establish an appeal process for all reimbursement disputes; prohibits a PBM from charging certain retroactive adjudication fees.

Montana: Prohibits a PBM from charging certain claim adjudication fees.

New Mexico: Strengthens the state’s MAC transparency laws; prohibits a PBM from reimbursing a pharmacy less than it reimburses one of its affiliated pharmacies.

North Dakota: Requires certain publicly funded prescription drug benefit contracts to allow the state to conduct performance audits and allow full access to reimbursement data.

Oklahoma: Prohibits retroactive claim adjustments and denials.

Oregon: Prohibits PBMs from charging certain retroactive fees; strengthens existing MAC transparency laws.

South Carolina: Limits a PBM’s authority to retroactively adjust a reimbursement amount; prohibits certain adjudication fees.

South Dakota: Limits a PBM’s authority to retroactively adjust a reimbursement amount.

Tennessee: Prohibits a PBM from charging certain adjudication fees; prohibits a PBM from reimbursing a pharmacy less than it reimburses one of its affiliated pharmacies.

Utah: Limits a PBM’s authority to retroactively adjust a reimbursement amount.

Washington: Requires a PBM to provide an annual report on prescription drug costs to a health care authority.

Pharmacy patient protections

Limits a PBM’s authority to prohibit a network pharmacy from offering delivery services to patients. Arizona, Montana, Oregon

Network adequacy/Patient choice

Arizona: Prevents a PBM from prohibiting 90-day fills at certain pharmacies.

Georgia: Prevents a PBM from steering patients to one of its affiliate pharmacies; prohibits a PBM-owned pharmacy from accepting patients who were steered by the PBM; prohibits PBMs and insurance companies from poaching patient information from pharmacies for profit.

Louisiana: Prohibits patient steering to a pharmacy in which the PBM has an ownership interest without making a written disclosure to the patient and informing them that they have the right to use a different pharmacy.

Maryland: Prohibits a PBM from requiring that a beneficiary use a specific pharmacy in which the PBM has an ownership interest.

Oklahoma: Establishes network adequacy and “any willing pharmacy” requirements.

Oregon: Prohibits a PBM from mandating the use of mail-order pharmacies.

Virginia: Requires certain carriers to allow consumers freedom of choice for pharmacy benefits.

West Virginia: Establishes PBM network adequacy standards and prohibits mail-order only benefits.

Accreditation/Certification

Prohibits a PBM from requiring accreditation standards or certification requirements for pharmacies beyond those required by the state board of pharmacy. Montana, New Mexico

Medication synchronization

Requires prorated copays and prohibits prorated dispensing fees related to medication synchronization. Nebraska, New Mexico, Pennsylvania

“Gag” clause/Copay clawbacks

Alabama, Delaware, Montana, Nebraska, New Mexico, Oregon, South Carolina, South Dakota, West Virginia, Wyoming

STATE PROVIDER STATUS

Arizona: Expands drug therapy agreement protocols between pharmacists and physicians to include any patient referred by the physician.

Arkansas: Allows pharmacists to initiate therapy and administer or dispense nicotine replacement therapy products under a statewide protocol. Allows pharmacists to enter into general written protocols for vaccines and immunizations other than influenza vaccines for patients 7-18 years old.

Hawaii: Allows a pharmacist to prescribe and dispense an opioid antagonist to patients, family members, and/or caregivers.

Idaho: Allows pharmacists to prescribe tobacco cessation products and tuberculin purified protein derivative products; removes pharmacy board authorization requirements for pharmacist prescribing of drugs for certain limited conditions.

Indiana: Allows a pharmacist to prescribe inhalation spacers, nebulizers, supplies for medical devices, normal saline and sterile water for irrigation, diabetes testing supplies, pen needles, and syringes; expands a pharmacist’s authority to initiate a refill, change the prescribed quantity or package size, and complete missing prescription information.

Montana: Expands a pharmacist’s authority to administer immunizations.

Texas: Allows physicians to delegate the implementation or modification of patient’s drug therapy to pharmacists under a standing order, physician order, or board protocol.

Washington: Allows partial fills of CII drugs if certain conditions are met; allows a pharmacist to dispense opioid overdose reversal agents pursuant to a collaborative practice agreement, standing order, or protocol.

West Virginia: Allows a pharmacist to initiate and dispense tobacco cessation therapy to patients 18 years and older pursuant to a standing order. Additionally, allows a pharmacist to dispense a self-administered hormonal contraceptive to a patient at least 18 years old pursuant to a standing order.
The NCPA Communications Department is a division of the Advocacy Center. Its main mission is to develop and implement communications strategies to advance NCPA’s advocacy priorities in Washington, D.C. and the 50 states by ensuring that our voice is heard across all media by managing the following assets:

**SOCIAL MEDIA**
A priority was to grow the organization’s social media influence. We had 18 percent growth in Facebook friends and a roughly 10 percent increase in Twitter followers in 2019. This was accomplished by increasing advocacy-related content and incorporating more video and visual elements.

---

**Communications by the numbers**

| NCPA website | 700,000 visitors |
| NCPA social media accounts |  |
| Facebook (@commpharmacy) | 18,400 friends |
| Twitter (@commpharmacy) | 18,700 followers |
| Instagram (@commpharmacy) | 1,800 followers |
| LinkedIn (linkedin.com/company/ncpa) | 7,300 followers |
| America’s Pharmacist | 17,826 subscribers |
| qAM | 26,500+ subscribers |
| Earned media | 2,600 news mentions to date |
In 2019, NCPA's social media reach averaged 2.71 million people per month. Our average social volume (the number of people talking about NCPA on social media) averaged 1,600 per month.

**NCPA NEWS MENTIONS**

NCPA was mentioned in approximately 2,600 news stories in 2019. The publicity value of that exposure – what NCPA would have to pay to reach that many people – exceeded $10 million. The communications office fielded 164 media inquiries last year (up from 150 in 2018). It arranged interviews with dozens of NCPA members, Advocacy Center staffers, and the CEO. Below are the outlets that covered us most often:

**PBM AD CAMPAIGN**

In July, NCPA launched a print and digital ad campaign aimed at the administration, members of Congress and their staffs. These ads ran in The Washington Post, The Wall Street Journal and a number of digital properties in July to be timed with the Senate Finance Committee markup of drug pricing legislation.

**FIX DIR CAMPAIGN**

Highlights for 2019 included our Fix DIR campaign, which launched in the spring and sustained through October. We led a coalition on Fix DIR Day, during which NCPA members and the members of partner groups used social media to push Congress to enact DIR reform. Below are examples of just one of the many posts we deployed on the issue.

**DOG DAYS OF DIR**

Our Dog Days of DIR campaign, which spanned the last two weeks of August, sought to activate our members and build pressure on Congress during its summer recess. We asked NCPA members to submit videos urging their senators and representatives to Fix DIR. The campaign generated roughly 80,000 social media engagements and the videos were watched nearly 5,000 times. The video below, for example, from Lily’s Pharmacy in Georgia, generated thousands of engagements and was shared by thousands of people on social media.

Thank you to those members who contributed videos to the campaign: Ben McNabb – Love Oak Pharmacy; Eastland, Texas
Jennifer Shannon – Lily’s Pharmacy; Johns Creek, Ga.
Steve and Dave Moore – Condo Pharmacy; Plattsburgh, N.Y.
David Bagot – Petersburg Pharmacy, Petersburg, Ill.
Bob Lomenick – Tyson Drug Company; Holly Springs, Miss.
Brent Fuller – Lowe’s Pharmacy; Lafayette, Ala.
Gary Bohler – Dakota Drug, Inc.; Minot, N.D.
Tom Kelly – Medicine to Go Pharmacies; Forked River, N.J.
Steve Hoffart – Magnolia Pharmacy; Magnolia, Texas
David Cippel – Klingensmith’s Drug Store; Ford City, Pa.
Supreme Court decision a boost in battle to rein in PBMs

In late-breaking news, NCPA received a huge boost in its decades-long battle to rein in PBMs when the U.S. Supreme Court decided to hear an Arkansas case (Rutledge v. Pharmaceutical Care Management Association [PCMA]) to decide whether ERISA preempts (supersedes) a state law that regulates PBMs – massive corporate middlemen who have operated in a regulatory no-man’s land for decades. In Arkansas, the state was blocked by a lower court ruling from enforcing Act 900, a law that effectively prohibits PBMs from reimbursing pharmacies below the pharmacies’ cost to acquire the medication and includes provisions that would disclose to consumers and plans the hidden profit motives of PBMs. The Court will likely hear oral arguments in early spring. It will render a decision before the end of June, which marks the end of the Court’s current term.

NCPA has been working for years on states’ ability to regulate PBMs and most recently in partnership with the Arkansas Pharmacists Association (APA) where NCPA and APA filed an amici curiae in 2017 with the Eighth Circuit defending Arkansas’s PBM regulations which led to SCOTUS taking up the case.

NCPA has created a Battleground: SCOTUS web page for updates as the case proceeds to the Supreme Court www.ncpanet.org/advocacy/federal-advocacy/scotus.