

September 29, 2016

The Honorable Jason Chaffetz
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Elijah Cummings
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Chaffetz and Ranking Member Cummings:

I write to commend the committee for the hearing you conducted on September 21st to investigate soaring prices of certain epinephrine auto-injectors. Most Americans are dealing with high healthcare costs and the drug supply chain is very complex and hard to understand. Your efforts to shine more light on the roles of all players in the chain is a very noble endeavor and we support you moving forward.

The reality is that when a consumer walks into a pharmacy with a prescription, more often than not he or she has no idea what the price of the prescription will be, the employer doesn't know how much they will be paying, and the pharmacist has no idea how much they will be paid. Pharmacy benefit managers (PBMs) are the only entities that know the answers to these questions because they decide what the consumer will pay and what medications are covered, what the employer will be charged, and what the pharmacy will be paid.

Our association represents the more than 22,000 independent pharmacies across the country and we are respectfully requesting you to schedule an oversight hearing on the role that PBMs play in the drug supply chain. Three large PBMs control roughly 78% of the market and manage pharmacy benefits for more than 180 million Americans. PBMs not only manage benefits for insurance companies and employers, they also own their own pharmacies whether that is mail order or specialty or retail. Therein presents an inherent conflict of interest as they have the ability to steer patients through these channels as well as market these channels to patients because they have all the prescription drug data from pharmacies such as our members. Nearly every epinephrine auto-injector that is paid for by federally funded programs comes through PBMs and we believe Congress should find out how big of a "chunk" they are taking out of the cost of the absurdly high epinephrine auto-injector that was focused on during the hearing.

Again we respectfully request that you schedule an oversight hearing this year to examine the roles that PBMs play in the system. So many Americans are struggling to pay for their healthcare insurance and again we applaud your efforts and stand ready to assist the committee however we can. We very much appreciate your consideration of this request.

Sincerely,



B. Douglas Hoey
CEO, National Community Pharmacists Association

100 Daingerfield Road
Alexandria, VA 22314-2888
(703) 683-8200 **PHONE**
(703) 683-3619 **FAX**