

February 26, 2026

The Honorable Mehmet Oz
Administrator
Centers for Medicare and Medicaid Services
Hubert H. Humphrey Building
200 Independence Ave SW
Washington, D.C. 20201

Dear Dr Oz:

The National Community Pharmacists Association (NCPA) is writing to update you on the implementation of the Medicare Drug Price Negotiation Program (MDPNP) which began on January 1, 2026, and describe the impact to date on our patients and our member community pharmacies.

NCPA represents America's community pharmacists, including 18,900 independent community pharmacies that employ more than 235,000 individuals, and provide an expanding set of health care services to millions of patients every day. Over half of all community pharmacies provide long-term care services and play a critical role in ensuring patients have immediate access to medications in both community and long-term care (LTC) settings. Our members are small business owners who are among America's most accessible health care providers. NCPA submits these comments on behalf of both community and LTC independent pharmacies.

We have worked cooperatively with CMS since 2022 on the implementation of the MDPNP and appreciate the interaction we have had with CMS senior leadership and program staff in this matter. About two months have elapsed since patients began to benefit from the start of the Maximum Fair Price (MFP) program, and the launch of the Medicare Transaction Facilitator (MTF) Data Module (DM) and Payment Module (PM).

We just completed a survey of our members with over 500 responses regarding implementation of the first two months of the program. We wanted to report on some of the issues that our pharmacies have been experiencing since January 1, 2026, and ask for your immediate assistance in addressing these issues as described below. Making these corrections to the MFP program are necessary to continue successful operation through 2026, and to put manufacturers on notice as they prepare their effectuation plans for the drugs that will be subject to MFPs in Initial Price Applicability Year (IPAY) 2027.

Expedite Payments to Independent Pharmacies: First and foremost, we need CMS to take all necessary steps to expedite the manufacturers' MFP refund payments to pharmacies. This includes

directing manufacturers to speed up processing of claims from the time they are received by the manufacturer from the MTF-DM to the time they are returned to the MTF-DM. In addition, we need CMS to speed up the MFP refund payment process once the manufacturer returns the file to the MTF-DM, and the messages are sent to the MTF-PM to pay the pharmacies.

Right now, the survey shows that 67 percent of pharmacies are waiting more than 22 days for their MFP refund payments from the manufacturers from the prescription date of service. For about 22 percent of pharmacies, the turnaround time is greater than 28 days. This is an unacceptable payment time frame for pharmacies when you consider that the standard Part D electronic clean claim pharmacy payment timeframe is only 14 days. Some manufacturers have been very good at turning around MFP refund claims, while others have quite frankly been laggards. An emerging issue that requires careful monitoring is the 90-day Prescription Drug Event (PDE) resubmission window that saddles pharmacies with financial liability for the PDEs that CMS rejects from the Part D Plans. We urge CMS to take the steps necessary to direct manufacturers to quickly process and pay these claims.

As a result of these MFP refund payment delays, the survey also showed that 60 percent of pharmacies had to tap their savings to make ends meet to continue business operations, while over 70 percent are minimizing their inventory of high dollar drugs, which includes several drugs with MFPs. This type of financial stress on small businesses that operate on very slim margins is unsustainable. Unless addressed, this situation will only be further exacerbated as an additional 15 high volume, high-cost Part D drugs with MFPs come online in January 2027.

Provide Greater Detail Regarding Calculating MFP Refund: The lack of detail in the manufacturers' effectuation plans regarding the MFP refund calculation, when it differs from the Standard Default Refund Amount (SDRA), creates significant financial planning issues for pharmacies. Pharmacies did not know which MFP refund calculation methodology the manufacturers were using until the first MFP refund payments were made in late January. In addition, there is significant confusion regarding the MFP refund payment for the MFP drug that has an authorized generic. This will continue to be an issue in 2027 as several MFP drugs are expected to have authorized generics. We ask CMS to suggest to manufacturers the use of the SDRA, which is a reliable and known refund amount, and that SDRA apply to all versions of a manufacturer's drug for the purposes of the MFP refund.

Provide Greater Detail Regarding Manufacturers' Pharmacy Cash Flow Mitigation Strategies: In addition, we are uncertain as to how manufacturers are implementing their pharmacy cash flow mitigation plans. CMS requires manufacturers to include these plans as part of their MFP effectuation plans. Our analysis of these mitigation plans suggests that there are not many specifics, and, as evidenced by the current long turnaround time for some manufacturers to authorize MFP

refund claims, they are falling short. The mitigation plans were supposed to be put in place to help certain pharmacies with cash flow issues resulting from delayed MFP refunds. Pharmacies cannot continue to dispense these manufacturers' drugs with delayed payments unless the cash flow issues significantly improve for the IPAY 2026 drugs and better mitigation strategies are in place for the IPAY 2027 drugs.

We look forward to talking with you further about these issues with the goal of getting prompt resolution of these important matters. Thank you.

Sincerely,



Ronna B. Hauser, PharmD
Senior Vice President, Policy & Pharmacy Affairs
ronna.hauser@ncpa.org

CC: Chris Klomp
Chris Ritter
Lara Strawbridge

Report for February 2026 Survey of Independent Pharmacy Owners/Managers

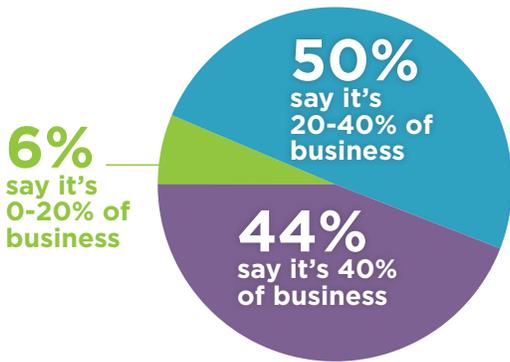
Executive summary:

The National Community Pharmacists Association surveyed roughly 9,900 independent pharmacy owners and managers from Feb. 11-20, 2026. The survey produced nearly 510 responses. With more than a month having passed since implementation of the Medicare Drug Price Negotiation Program began, the purpose of this survey was to assess independent pharmacies' experience with the program to share with the Centers for Medicare & Medicaid Services, other policymakers, and additional interested parties. Respondents operate community and long-term care pharmacies.

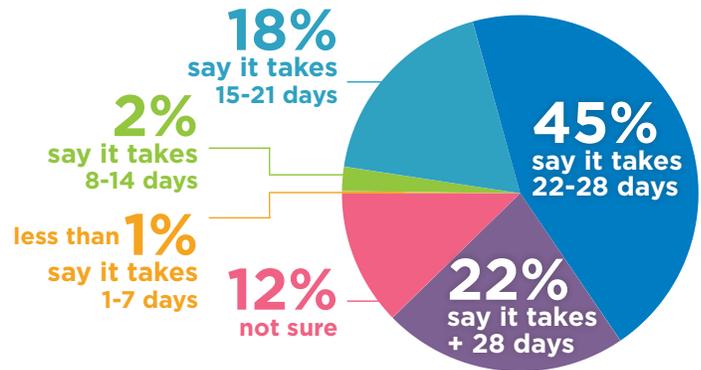
Below is a summary of key findings:

- 67% of pharmacy owners say that it is taking 22 days or more to receive refunds from the manufacturer, with 22% percent saying it is taking greater than 28 days to receive refunds from manufacturers.
- 70% of pharmacy owners are minimizing on-hand inventory of high-dollar drugs as a result of timeliness issues receiving manufacturer refunds.
- 60% of pharmacy owners are dipping into pharmacy savings as a result of timeliness issues receiving manufacturer refunds.
- 78% of pharmacy owners are having problems reconciling claims.
- 28% do not have all the information they need to reconcile payments from the Medicare Transaction Facilitator to the original prescription drug claim.
- 50% of pharmacy owners say that they access updates on how much they will be refunded by the manufacturers using both the MTF and Beacon MFP. 16% of pharmacy owners say that they access these updates using the MTF only. 15% report accessing updates using only Beacon MFP.
- After initialization of the MDPNP on Jan. 1, 2026, 49% of pharmacy owners are considering not accepting one or more Medicare Part D contracts for 2027 or not accepting any Medicare Part D.
- 64% of pharmacy owners say they are considering not stocking MDPNP drugs.

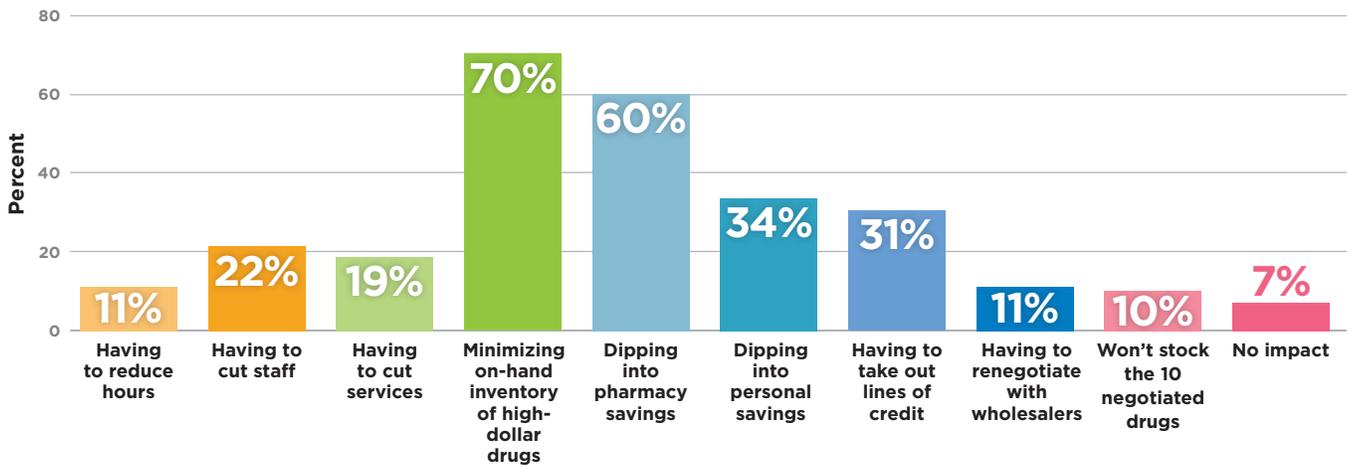
1. Medicare Part D is what percent of your business?



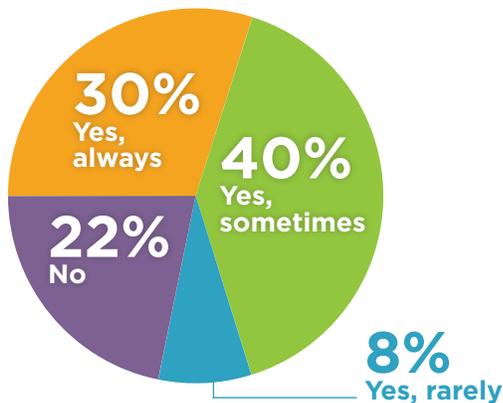
2. On average, how long is it taking you to receive refunds from the manufacturer?



3. Select all ways the timeliness/lack thereof of manufacturer refund payments affects your ability to effectively run a pharmacy and serve your patients.



4. Do you have a problem reconciling claims?



5. Do you have all the information you need to reconcile claims?

