



February 18, 2026

Chris Klomp
Director of Medicare & Deputy Administrator, CMS
Senior Advisor to the Secretary, HHS
Centers for Medicare & Medicaid Services
Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: Formulating the specific “reasonable and relevant” contract terms that PDP sponsors will be required to offer pharmacies under the new PBM reform law

Director Klomp,

The National Community Pharmacists Association (NCPA), The American Pharmacists Association (APhA), the National Association of Chain Drug Stores (NACDS), the American Society of Consultant Pharmacists (ASCP), the National Association of Specialty Pharmacy (NASP), FMI – The Food Industry Association, and the National Grocers Association (NGA) seek an opportunity to discuss with you the Secretary’s obligation to formulate the specific “reasonable and relevant” contract terms that PDP sponsors will be required to offer pharmacies under the new PBM reform law. We thank President Trump for his strong leadership in securing the enactment of the Consolidated Appropriations Act, 2026. This legislation contains essential PBM reforms consistent with the Administration's focus and results on top priorities. These priorities include reducing Americans’ prescription drug costs and to bringing healthcare within reach for vulnerable individuals - especially rural communities.

NCPA represents America’s community pharmacists, including 18,900 independent community pharmacies. Almost 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. Together, our members employ 205,000 individuals, and provide an expanding set of healthcare services to millions of patients every day. Our members are small business owners who are among America’s most accessible healthcare providers. NCPA submits these comments on behalf of both community and LTC independent pharmacies.

APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession. APhA represents pharmacists 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.

NACDS represents traditional drug stores, supermarkets and mass merchants with pharmacies. NACDS' member companies include regional chains, with a minimum of four stores, and national companies. They help patients use medicines correctly and safely, while offering innovative services that improve patient health and healthcare affordability.

ASCP is the only international professional society devoted to optimal medication management and improved health outcomes for older adults. ASCP's thousands of pharmacist and pharmacy members manage drug therapies and improve the quality of life of geriatric patients and others living in various settings, including sub-acute and long-term care facilities (LTCF), skilled nursing facilities (SNFs), assisted living communities, psychiatric hospitals, hospice programs, correctional facilities, home and community-based care.

The National Association of Specialty Pharmacy (NASP) is the only national trade association representing the entire specialty pharmacy channel. NASP's more than 200 corporate members and over 3,500 total members nationwide include accredited specialty pharmacies operating across diverse care settings, Certified Specialty Pharmacists (CSPs), and key industry stakeholders committed to improving care for patients living with complex, chronic, rare, and often life-threatening conditions. NASP members provide comprehensive medication management, care coordination, and patient access support to ensure clinically appropriate, safe, and timely access to therapy in an effort to improve health outcomes and reduce overall healthcare costs. NASP members achieve this through specialized clinical oversight, adhering to medication safeguards, and providing delivery management support to patients in communities across the United States.

FMI – The Food Industry Association (FMI) works with and on behalf of the entire industry to advance safer, healthier and more efficient consumer food and pharmacy supply chains. FMI brings together a wide range of members across the value chain – from retailers, including those operating supermarket pharmacies, to producers that supply food and other products, as well as the full range of companies providing critical services – to amplify the collective work of the industry. In total, FMI member companies operate roughly 33,000 grocery stores and more than 12,000 pharmacies nationwide. Collectively, FMI members represent an \$800 billion industry, employ nearly 6 million people, and touch the lives of more than 100 million U.S. households on a weekly basis.

NGA represents an industry comprising more than 21,000 independent community grocers across the country and the wholesalers, manufacturers, and suppliers who service them. Independent grocers operate over 3,000 pharmacies across the country. Over half of NGA's membership is made up of single-store operators, and many of these family grocers have fed and served their communities for generations.

Beginning in plan year 2029, Part D plan sponsors – both standalone prescription drug plans (PDPs) and Medicare Advantage prescription drug plans (MA-PDPs) (collectively known as PDP sponsors) – must offer network pharmacies contract terms that are “reasonable and relevant.” Additionally, PDP sponsors will be required to let any pharmacy participate in their networks so long as they meet the “reasonable and relevant” contract terms.

According to the law, the Secretary of Health and Human Services will formulate the specific “reasonable and relevant” contract terms that PDP sponsors will be required to offer pharmacies. The Secretary will also issue a request for information (RFI) from the public seeking input on what constitutes reasonable and relevant terms, and the Secretary must issue this request by April 1, 2027. The Secretary must establish “reasonable and relevant” terms by April 3, 2028, so they can be included in the PDP sponsor contracts offered to network pharmacies in spring 2028 for the 2029 Part D plan year.

Representing pharmacies nationwide, we request we speak with CMS to provide feedback on this issue in an in-person meeting, and we stand ready to work with CMS to offer possible solutions and ideas.

Should you have any questions or concerns, please feel free to contact NCPA at steve.postal@ncpa.org (Steve Postal, Senior Director, Policy and Regulatory Affairs), APhA at mbaxter@aphanet.org (Mike Baxter, Vice President, Federal Government Affairs), NACDS at skatz@nacds.org (Stephanie J. Katz, JD, MPH Vice President, Reimbursement, Innovation, and Advocacy skatz@NACDS.org), ASCP at jlewis@ascp.com (Jim Lewis, Senior Director of Policy & Advocacy), NASP at Julie.Allen@PowersLaw.com (Julie Scott Allen, Principal, Powers Pyles Sutter & Verville PC), FMI at pmatz@fmi.org (Peter Matz, Director, Food, Pharmacy & Health Policy), and NGA at mwengroff@nationalgrocers.org (Max Wengroff, Senior Manager, Government Relations)