November 9, 2016

TO: NACDS Members

FROM: Steven C. Anderson, IOM, CAE
President and Chief Executive Officer

SUBJECT: NACDS Analysis of 2016 Elections

As promised, I am writing to provide information about the 2016 elections that you will not find elsewhere in today’s extensive campaign coverage: analysis of the results from the exclusive standpoint of NACDS’ pro-pharmacy, pro-patient, and pro-business agenda.

Please note: some races remain in question. Also, while this memo focuses mainly on the federal elections, NACDS will release an additional analysis of state elections – which are increasingly consequential for pharmacy issues. This information will take some time to analyze and will be sent out once sufficient information is available.

**Election Overview: Trump Wins Presidency; Republicans Maintain Congressional Control**

While the main purpose of this memo is to provide pharmacy-specific election coverage, we want you to have access to a complete election summary in one place. As has been seen far and wide, after one of the most tumultuous election cycles in modern times, Donald J. Trump (R) won the Electoral College to become the 45th President of the United States. As of this writing, President-elect Trump has won 290 Electoral College votes to former Secretary Hillary Clinton’s 228, with two states remaining too close to call. President-elect Trump will be inaugurated on Friday, January 20, 2017.

In the Senate, 34 seats were up for re-election this year; Republicans won 21, and Democrats won 11, giving Republicans a current one-seat majority in the Senate. There are races in New Hampshire and Louisiana still undecided so the exact composition of the Senate remains in flux. Sen. Mitch McConnell (R-KY) will remain Senate Majority Leader and Sen. Chuck Schumer (D-NY) is widely expected to become the Senate Minority Leader following the retirement of Sen. Harry Reid (D-NV).

House Democrats netted a total of at least seven seats on Tuesday night. Republicans will keep control of the House, but the Republican majority has shrunk slightly with a current partisan breakdown of 235 Republicans and 191 Democrats with nine races still undecided. According to reports, Speaker of the House Paul Ryan (R-WI) may face a challenge to his leadership position.
NACDS Political Action Committee Engages at Record Level, Contributes to Key Victories

The bipartisan NACDS Political Action Committee (NACDS-PAC) engaged in the 2016 elections at a high level. NACDS-PAC made campaign contributions in 86 House races and in 23 races out of the 34 Senate elections that were held this cycle. Direct NACDS-PAC contributions and funds raised at NACDS-hosted events combined to make a $963,000 impact in the 2016 elections.

The NACDS-PAC “winning percentage” proved strong – despite the volatility of this year’s elections. It is often the case that a PAC will support incumbent members of Congress who have demonstrated strong support for particular issues, only to see a significant number of those individuals lose re-election due in part to a national tide, among other factors. In the Senate, the NACDS-PAC winning percentage currently stands at 91 percent – with 21 candidates supported by NACDS-PAC winning, one candidate losing, and one race yet to be decided. In the House of Representatives, the NACDS-PAC winning percentage stands at 98 percent – with 84 victorious candidates and two candidates who lost.

NACDS-PAC-Backed Campaigns of Particular Interest

Several campaigns supported by NACDS-PAC merit specific mentions. Rep. Buddy Carter (R-GA) won his election and remains the only pharmacist in the U.S. Congress. Sen. Chuck Schumer (D-NY) won re-election and will likely serve as the Senate Minority Leader. Sen. Chuck Grassley (R-IA) – a pharmacy champion and Chairman of the Senate Judiciary Committee also won re-election. House Energy and Commerce Committee Chairman Fred Upton (R-MI) – who has demonstrated tremendous leadership on issues such as the Comprehensive Addiction and Recovery Act – won with 59 percent of the vote. On the other hand, Sen. Mark Kirk (R-IL) lost his re-election bid to current Rep. Tammy Duckworth (D-IL). Sen. Kirk was a friend of pharmacy and a cosponsor of S. 314, the Pharmacy and Medically Underserved Areas Enhancement Act. Lastly, current Rep. Todd Young (R-IN) won his bid for the Senate seat vacated by Sen. Dan Coats (R-IN). Generally, NACDS-PAC refrains from engaging in open Senate races like the one in Indiana, but Rep. Young has been a strong pharmacy champion while in the House and is an original sponsor of H.R. 592, the Pharmacy and Medically Underserved Areas Enhancement Act. NACDS looks forward to continuing our strong relationship with Senator-elect Young in the Senate.
115th Congress will Begin with a Strong Base of Pharmacy Support

When the 115th Congress gavels into session in January, NACDS will have a foundation of support for several of our key legislative priorities. Specifically, S. 314/H.R. 592, the Pharmacy and Medically Underserved Areas Enhancement Act, will have many returning supporters. In the House, of the 293 cosponsors that signed on to the bill in the 114th Congress, at least 255 will be returning. In the Senate, where we currently have 51 cosponsors, 46 will be returning. While we clearly have a strong foundation laid for us to continue building momentum for this vital piece of legislation, we also have a lot of work to do to educate both the new members who will be coming to Washington as well as those who have not yet signed onto the legislation.

Senate Committee Changes Relevant to Pharmacy Issues

With Republicans keeping control of the Senate, we will not see much change in the composition of the Senate Finance Committee, where Sen. Orrin Hatch (R-UT) is expected to remain Chairman. Sen. Hatch has been a champion of pharmacy for many years and led the successful effort to guide S. 483, the Ensuring Patient Access and Effective Drug Enforcement Act of 2015, into law. Sen. Ron Wyden (D-OR) is expected to remain the top Democrat as Ranking Member. Sen. Wyden also has a long history of support for pharmacy. He has been closely involved on issues related to prescription drug abuse and diversion, chronic care, generic drug access, and drug reimbursement.

Committee apportionment is unlikely to change in the 115th Congress. Of the 26 current members of the Senate Finance Committee, 14 are Republicans and 12 are Democrats. Sen. Dan Coats (R-IN) is retiring at the end of this Congress so Republicans will add a new member to the Committee. Current Committee member Sen. Chuck Grassley (R-IA) is the lead sponsor of the Pharmacy and Medically Underserved Areas Enhancement Act, and Committee members Sen. Pat Roberts (R-KS), Sen. Michael Enzi (R-WY), Sen. John Thune (R-SD), and Sen. Tim Scott (R-SC) are cosponsors.

Additionally, in the Senate, Sen. Lamar Alexander (R-TN) is expected to remain Chairman of the Senate Health, Education, Labor and Pensions Committee. Sen. Patty Murray (D-WA) is expected to remain Ranking Member. Sen. Murray has been closely involved on issues related to the Comprehensive Addiction and Recovery Act, the Drug Quality and Security Act, drug abuse and diversion issues, medication adherence, generic drug access and reimbursement issues. Of the 22 current members of the Senate Health, Education, Labor and Pensions Committee, 12 are Republicans and 10 are Democrats. This is not expected to change. The composition of the majority members is still to be determined, but the likely scenario sees Sen. Michael Enzi (R-WY), Sen. Johnny Isakson (R-GA), Sen. Rand Paul (R-KY), Sen. Susan Collins (R-ME), Sen. Lisa Murkowski (R-AK), Sen. Tim Scott (R-SC), Sen. Orrin Hatch (R-UT), Sen. Pat Roberts (R-KS), and Sen. Bill Cassidy (R-LA) joining Sen. Alexander on the committee. Sens. Enzi, Collins, Scott, Roberts, and Cassidy are all cosponsors of the Pharmacy and Medically Underserved Areas Enhancement Act.
House Committee Changes Relevant to Pharmacy Issues

Until all of the elections are final and the number of Representatives from each party is determined, we will not know for sure the exact apportionment of committee assignments. In the House Ways and Means Committee, Rep. Kevin Brady (R-TX) is expected to remain chairman and Rep. Sandy Levin (D-MI) is expected to remain ranking member. Rep. Tom Price (R-GA) is expected to remain Budget Committee Chairman and with Rep. Chris Van Hollen (D-MD) now newly elected to the Senate, Rep. John Yarmuth (D-KY) is likely to be ranking member.

Regarding the House Energy and Commerce Committee, Rep. Fred Upton’s (R-MI) chairmanship is term-limited so we will see a new chairman on the main House committee of jurisdiction for pharmacy issues. Rep. John Shimkus (R-IL) and Rep. Greg Walden (R-OR) are competing to replace him as chairman. Rep. Frank Pallone (D-NJ) the current Ranking Member on Energy and Commerce is expected to remain as the top Democrat on the committee. Additionally, as it currently stands with retirements, there will be three open Republican seats on the committee and one open Democratic seat. Rep. Buddy Carter (R-GA) is vying for one of the open Republican committee seats.

Join NACDS RxIMPACT as We Continue to Play an Influential Role with the New Congress

NACDS RxIMPACT elevated its 2016 voter engagement tactics far beyond any other election year and successfully engaged NACDS member companies and the broader pharmacy community. The concerted NACDS RxIMPACT Votes campaign organized get-out-the-vote activities while inspiring leaders to utilize team engagement toolkits, and inspiring pharmacy advocates to access election resources.

In concert with the NACDS RxIMPACT Training Program this year, NACDS trained thousands about the power of voter engagement and the critical need for grassroots engagement throughout the year. These sessions were held at six state pharmacy association annual meetings and at 15 colleges and schools of pharmacy. States reached through this effort include California, Colorado, Florida, Iowa, Kansas, Louisiana, Massachusetts, Minnesota, Nebraska, North Carolina, Ohio, Oklahoma, Pennsylvania, Tennessee, Washington, West Virginia, and Wisconsin.

NACDS also used the PharmacyVoter.org website and the social media hashtag #PharmacyVoter to raise awareness of the importance of volunteering and voting for one’s candidates of choice. NACDS created engagement videos, titled “Effective” and “Momentum,” which generated more than 220,000 YouTube views.

Another vital aspect of the NACDS grassroots program is NACDS RxIMPACT Day on Capitol Hill. In 2016, nearly 400 pharmacy advocates from 43 states met with 90% of the U.S. Congress to educate them about pharmacy priorities. Of the 484 Senators and Representatives with whom pharmacy advocates met, 404 will return to serve in the 115th Congress.
advocates met, 404 will return to serve in the 115th Congress. Pharmacy advocates will meet with members of the 115th Congress during the 2017 NACDS RxIMPACT Day on Capitol Hill, March 14-15. If you have not yet registered to attend this event, please do so today.

Pharmacy needs your help bolstering our presence, especially amid newly-elected members of Congress, to ensure they do not legislate on pharmacy interests without the benefit of your knowledge and experience. Please consider “adopting” a member of Congress as an NACDS RxIMPACT Key Contact signaling your commitment to working with NACDS to build a quality relationship with your member of Congress to advance our priorities. The future of our community and patients depends on it.

**2016 State Legislative Elections – Overview of Results**

The outcomes of the state elections indicate that not much has significantly changed. Republicans will continue to control the majority of the governorships and the state legislatures. Republicans achieved gubernatorial victories in Missouri, New Hampshire, and Vermont, while the race remains undecided in North Carolina. These gubernatorial and state results are reflective of the down-ballot effect of President-elect Trump’s performance on election night. As indicated earlier in this memo, NACDS will prepare a more detailed breakdown of the highly consequential state-level elections to send to members as soon as sufficient information is available.