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October 20, 2011

The Honorable Jon Leibowitz, Chairman
Federal Trade Commission
600 Pennsylvania Avenue N.W.
Washington, D.C. 20580

Dear Chairman Leibowitz:

We are writing to express our concerns with the recent merger announcement between Express Scripts and Medco and to request that your office conduct a full and thorough investigation, including examining the impact that the merger will have on consumers, patients, third party and federal payers.

On its face, the merger demonstrates the potential for a combined entity to dominate an already heavily concentrated market. We understand that this combined entity has the potential to control more than 40 percent of annual prescriptions and more than 80 percent of private plans. And, if unregulated would have the ability to raise prices and/or block pass through pricing for plans and patients – ultimately limiting critical access.

A recent study conducted by the Department of Health and Human Service's Office of the Inspector General has already documented issues within the pharmacy benefit manager market. The report revealed that "pharmacy discounts were not always passed on to the beneficiaries and the Government." This report is troubling and raises questions about the probability of continued anti-consumer/patient practices in the future under one dominant entity.

We ask that your office closely examine this proposed merger and make recommendations that ensure a competitive marketplace exists for consumers, beneficiaries, and pharmacies. We appreciate your attention to this matter.

Sincerely,



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