



NATIONAL ASSOCIATION OF  
CHAIN DRUG STORES

Steven C. Anderson, IOM, CAE  
President & Chief Executive Officer

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**TO:** NACDS Members

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

**SUBJECT:** NACDS Analysis of 2018 Elections

As promised, I am writing to provide information about the 2018 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: Democrats take the House, Republicans Retain Control of the Senate**

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 a very tumultuous election cycle, Democrats have retaken the majority in the House of Representatives. As of this writing, Democrats have won 221 seats and Republicans have won 194 seats with 20 remaining too close to call. Current Minority Leader and former Speaker Nancy Pelosi (D-CA) has announced she will run for Speaker; however, it is uncertain if she will be able to gather sufficient support to make this happen. The 116th Congress will be sworn-in on January 3, 2019.

In the Senate, Republicans solidified and expanded their majority. At least three incumbent Democrats lost re-election giving Republicans a current one seat majority in the Senate and that number is expected to grow once all races are called. There are four races that remain 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) will remain the Senate Minority Leader.

A record number of women are projected to have won seats in the House in a historic night for female candidates across the political spectrum. More than 110 women were projected to win seats in Congress, with that number expected to rise once all races are called. Additionally, there are a record number of women military veterans who will be serving in the 116th Congress.

## **NACDS Political Action Committee Engages at Record Level, Contributes to Key Victories**

The bipartisan NACDS Political Action Committee (NACDS-PAC) engaged in the 2018 elections at a high level. NACDS-PAC made campaign contributions in 94 House races and in 19 Senate races out of the 34 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 2018 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 their bids for reelection due in part to a national tide, among other factors. In the Senate, the NACDS-PAC winning percentage currently stands at 74 percent – with 14 candidates supported by NACDS-PAC winning and five candidates losing. In the House, the NACDS-PAC winning percentage stands at 94 percent – with 88 victorious candidates and six 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 reelection campaign and remains the only pharmacist in the U.S. Congress. Current House Energy and Commerce Committee Chairman Greg Walden (R-OR) – who has demonstrated tremendous leadership on issues important to pharmacy – won reelection with 57 percent of the vote. House Energy and Commerce Committee Ranking Member, and the likely incoming committee Chairman Frank Pallone (D-NJ), a strong friend of pharmacy, also won reelection on Tuesday. Reps. Markwayne Mullin (R-OK) and Katherine Clark (D-MA) who were the original sponsors of the *Every Prescription Conveyed Securely Act*, that was recently signed into law, won their reelections with 65 and 75 percent of the vote, respectively. Sens. Sherrod Brown (D-OH) and Bob Casey (D-PA) each won reelection handily and have been strong pharmacy supporters, notably as leading cosponsors of S. 109, the *Pharmacy and Medically Underserved Areas Enhancement Act*.

## **116th Congress will Begin with a Strong Base of Pharmacy Support**

The 116th Congress will bring many changes, including control of the House of Representatives. When the new Congress gavels into session in January 2019, NACDS will continue to have a strong foundation of support for several of our key legislative priorities. Specifically, S. 109/H.R. 592, the *Pharmacy and Medically Underserved Areas Enhancement Act*, will have many returning supporters. In the House, of the 297 cosponsors that signed onto the bill in the 115th Congress, at least 225 will be returning. In the Senate, 55 Senators cosponsored the measure in the 115th Congress and 49 will be returning. Additionally, the lead sponsor of S. 109, Sen. Charles Grassley (R-IA), is expected to become the Chairman of the Senate Finance Committee in the 116th Congress, giving him an excellent opportunity to make progress on pharmacist provider status legislation. Additionally, on drug pricing and direct and indirect remuneration (DIR) fee reform, champions like Rep. Peter Welch (D-VT) and Rep. Morgan Griffith (R-VA) will all be back in the 116th Congress and are expected to remain key allies. While we clearly have a strong foundation laid for us to continue building momentum for our priorities, we also have a lot of work to do to educate the many new members of the House and Senate who will be coming to Washington.

## Senate Committee Changes Relevant to Pharmacy Issues

With Republicans keeping control of the Senate, few changes are expected. However, with the retirement of Senate Finance Committee Chairman Orrin Hatch (R-UT), the coveted Finance Committee gavel is now expected to be passed to Sen. Charles Grassley (R-IA) who has led the Finance Committee in the past and will be eligible to serve in that role again in the 116th Congress. Sen. Grassley has been a champion of pharmacy for many years. In addition to sponsoring S. 109, he is a key leader in calling for DIR fee reform. 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 misuse and abuse, chronic care, generic drug access, and drug reimbursement.

Sen. Orrin Hatch (R-UT) is retiring after 42 years in the Senate so Republicans will add a new member to the Committee. With key races still pending in Florida, Montana and Arizona it remains a question as to whether the ratio of Democrats and Republicans who serve on the Finance Committee will change slightly to favor Republicans in the 116th Congress. Today the committee is composed of 14 Republican seats and 13 Democrat seats representing the parties in the 115th Congress. At this juncture we can confirm that at least two new members will be appointed to the Finance Committee to fill vacancies left by Sen. Dean Heller (R-NV) and Sen. Claire McCaskill (D-MO) who were defeated on Tuesday, with a third opening possible depending on whether Sen. Bill Nelson is defeated in Florida, where his GOP challenger Gov. Rick Scott (R-FL) currently leads.

Of the six Republican members of the Finance Committee who joined Sen. Grassley and cosponsored the *Pharmacy and Medically Underserved Areas Enhancement Act* in the 115th Congress, Sen. Mike Enzi (R-WY), Sen. Tim Scott (R-SC), Sen. Pat Roberts (R-KS), Sen. John Thune (R-SD), Sen. Richard Burr (R-NC), and Sen. Bill Cassidy (R-LA), all six will return and are expected to continue to serve on the Finance Committee. Of the seven Finance Committee minority members who had cosponsored the bill in the 115th Congress, including Sen. Debbie Stabenow (D-MI), Sen. Maria Cantwell (D-WA), Sen. Bill Nelson (D-FL), Sen. Tom Carper (D-DE), Sen. Sherrod Brown (D-OH), Sen. Michael Bennet (D-CO), and Sen. Bob Casey (D-PA), six will return for the 116th Congress and are expected to continue their service on the Finance Committee – results still pending in Florida will determine whether Sen. Bill Nelson remains in his current position.

Additionally, Sen. Lamar Alexander (R-TN) is expected to remain Chairman of the Senate Health, Education, Labor and Pensions (HELP) Committee while Sen. Patty Murray (D-WA) is expected to remain Ranking Member. Similar to the Senate Finance committee, the ratio of Democrats and Republicans who serve on the HELP committee may be subject to change as a result of the midterms, with results still too close to call in Florida, Montana and Arizona. The HELP committee was composed of 12 Republican seats and 11 Democrat seats in the 115th Congress, which could change slightly to favor Republicans pending final results. We can confirm that at least one new Republican member will have the opportunity to join the committee in the new Congress, to fill a vacancy left by Sen. Orrin Hatch (R-UT), who announced his retirement earlier this year. On the minority side, two U.S. Senators who were up for re-election handily won back their seats on Tuesday night - Sen. Bob Casey (D-PA) and Sen. Tina Smith (D-MN). With no vacancies to fill, the minority composition of the HELP committee is expected to remain unchanged. The composition of the majority members is still to be determined, but the likely scenario sees Sen. Michael Enzi (R-WY), Sen. Richard Burr (R-NC), Sen. Johnny Isakson (R-GA), Sen. Rand Paul (R-KY), Sen. Susan Collins (R-ME), Sen. Bill Cassidy (R-LA), Sen. Todd Young (R-IN), Sen. Pat Roberts (R-KS), Sen. Lisa Murkowski (R-AK), and Sen. Tim Scott (R-SC) joining Chairman Alexander on the committee.

## **House Control Changes and Pharmacy Issues**

The 116th Congress will bring big changes to the House of Representatives. 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. Regardless, a new Democratic majority will take control of the House at the start of the 116th Congress. Democratic Leader Nancy Pelosi (D-CA) has announced that she will run again for Speaker; a position she held under Democratic majorities in the 110th and 111th Congresses (January 2007-2011). While the outcome of other leadership elections on both sides of the aisle are far more unpredictable, the leadership and make-up of House committees important to NACDS is expected to be fairly stable.

In the House Ways and Means Committee, Rep. Kevin Brady (R-TX) is expected to become Ranking Member while current Ranking Member Richard Neal (D-MA) will take over as Chairman. Rep. John Yarmuth (D-KY) will become Chairman of the House Budget Committee while current Chairman Steve Womack (R-AR) will become Ranking Member. The House Energy and Commerce Committee will be chaired by Rep. Frank Pallone (D-NJ) and Rep. Greg Walden, who served as Chairman in the 115th Congress, will become the Ranking Member.

While a large group of new lawmakers will be sworn in at the start of 116th Congress, pharmacy champions like Rep. Brett Guthrie (R-KY), Rep. Peter Welch (D-VT), Rep. Morgan Griffith (R-VA), Rep. Ron Kind (D-WI), and many others will all be returning to prominent positions on important committees. Of note, Rep. Doug Collins (R-GA), a key figure on DIR fee reform, could become Ranking Member of the House Judiciary Committee.

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

As NACDS RxIMPACT celebrates its 10th anniversary, it continues to actively promote voter engagement through its NACDS RxIMPACT Votes campaign that inspires leaders to utilize team engagement toolkits and pharmacy advocates to access election resources.

In concert with the NACDS RxIMPACT Training Program this year, NACDS trained thousands on the power of voter engagement and the critical need for grassroots engagement throughout the year. These sessions were held at three state pharmacy association annual meetings and at 11 colleges and schools of pharmacy. States reached through this effort include Arizona, Hawaii, Illinois, Iowa, Maine, Missouri, New Mexico, New York, North Carolina, Ohio, Pennsylvania and Wisconsin.

The NACDS RxIMPACT community continues to grow by leaps and bounds with its registered advocate community growing by 10% in 2018. The community's dedication and heightened impact can be visibly seen in the near 720 pharmacy tours and in-district events hosted via the NACDS RxIMPACT In-District Activities Program over the last decade. In fact, 43% of all 2018 pharmacy tours hosted Members of Congress, as opposed to tours solely including congressional staff – nearly double the rate of 2017.

Another vital aspect of the NACDS grassroots program is the NACDS RxIMPACT Day on Capitol Hill. In 2018, nearly 500 pharmacy advocates from all 50 states met with the entire US Congress to educate members about pharmacy priorities. Pharmacy advocates will meet with members of the 116th Congress during the 2019 NACDS RxIMPACT Day on Capitol Hill, March 5-6. If you have not yet [registered](#) to attend this event, please do so today.

Pharmacy needs your help bolstering our presence, especially among 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!

## **2018 State Legislative Elections – Overview of Results**

From the national perspective, the federal elections overshadowed the state legislative elections and the gubernatorial races with few exceptions. The outcomes of the state elections indicate modest gains by Democrats. Democrats picked up at least seven governors' offices, including Illinois, Kansas, Maine, Michigan, Nevada, New Mexico and Wisconsin. The gubernatorial races in Alaska, Connecticut and Georgia have not been called. Preliminary results indicate that Democrats gained control of at least seven state legislative chambers, less than the average 12 chambers that change party hands in every two-year election cycle back to 1900. These seven chambers include the Colorado Senate, Connecticut Senate (tied prior to the election), Maine Senate, Minnesota House, and New Hampshire Senate and House, as well as the New York State Senate. Republicans are positioned to gain control of the Alaska House once all returns are in. Also, Idaho, Nebraska, and Utah voters approved a ballot initiative to expand Medicaid coverage while Montana voters rejected a ballot measure to remove the sunset date for the current Medicaid expansion that was tied to a tobacco tax increase. Again, 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.