

Statement  
Of  
The National Association of Chain Drug Stores  
For  
U.S. Senate  
Committee on Finance  
Hearing on:  
A Pathway to Improving Care for Medicare  
Patients with Chronic Conditions  
May 14, 2015  
10:00 A.M.  
215 Dirksen Senate Office Building

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The National Association of Chain Drug Stores (NACDS) thanks Chairman Wyden, Ranking Member Hatch and the members of the Committee on Finance for the opportunity to submit the following statement for the record regarding “A Pathway to Improving Care for Medicare Patients with Chronic Conditions.” NACDS and the chain pharmacy industry are committed to partnering with Congress, HHS, patients, and other healthcare providers to improve the quality and affordability of healthcare services.

NACDS represents traditional drug stores and supermarkets and mass merchants with pharmacies. Chains operate more than 40,000 pharmacies, and NACDS’ chain member companies include regional chains, with a minimum of four stores, and national companies. Chains employ more than 3.2 million individuals, including 179,000 pharmacists. They fill over 2.9 billion prescriptions yearly, and help patients use medicines correctly and safely, while offering innovative services that improve patient health and healthcare affordability. NACDS members also include more than 850 supplier partners and over 60 international members representing 22 countries. For more information, visit [www.NACDS.org](http://www.NACDS.org).

As the face of neighborhood healthcare, community pharmacies and pharmacists provide access to prescription medications and over-the-counter products, as well as cost-effective health services such as immunizations and disease screenings. Access to these types of services is especially vital for Medicare beneficiaries as nearly two-thirds are suffering from multiple chronic conditions. Through personal interactions with patients, face-to-face consultations, and convenient access to preventive care services, local pharmacists are helping to shape the healthcare delivery system of tomorrow—in partnership with doctors, nurses, and others.

### **The Benefits of Pharmacist-Provided Medication Therapy Management (MTM)**

In recent years, pharmacists have played an increasingly important role in the delivery of cost-saving, highly efficient healthcare services that treat patients with chronic conditions. Notably, policymakers have begun to recognize that pharmacist-provided MTM improves medication adherence, which lowers overall healthcare costs. For example, a 2013 CMS report found that Part D MTM programs consistently and substantially improved medication adherence and quality of prescribing for evidence-based medications for beneficiaries with congestive heart failure, COPD, and diabetes. In 2014, a Medicare Payment Advisory Committee (MedPAC) study found significant medical side savings in adherent populations compared to the non-adherent population. In addition, a study conducted by Avalere in 2013 concluded that patients who are adherent to their medications have more favorable health outcomes, such as reduced mortality, and use fewer healthcare services. Such patients are thus cheaper to treat overall, relative to non-adherent patients.

How and where MTM services are provided also impact its effectiveness. A study published in the January 2012 edition of *Health Affairs* found that a pharmacy-based intervention program increased adherence for patients with diabetes and that the benefits were greater for those who received counseling in a retail, face-to-face setting as opposed to a phone call from a mail-order pharmacist.

Pharmacists are engaged with other professionals and participating in models of care based on quality of services and outcomes, such as accountable care organizations (ACOs) and medical homes. Pharmacists now commonly provide immunizations and MTM services and are developing new and innovative approaches through medication synchronization

programs, identifying and treating medication adherence issues, and working to be able to provide simple medical testing services.

### **Pharmacists as Providers**

In addition to helping reduce post-acute care issues related to medication non-adherence, retail community pharmacists can provide high quality, cost efficient care and services, especially for patients with chronic conditions. However, the lack of pharmacist recognition as a provider by third party payors including Medicare and Medicaid has limited the number and types of services pharmacists can provide, even though fully qualified to do so.

Retail pharmacies are often the most readily accessible healthcare provider. Nearly all Americans (89%) live within five miles of a community retail pharmacy. Recognition of pharmacists as providers under Medicare Part B would help to provide valuable and convenient pharmacist services to millions of Americans, and most importantly, to those who are already medically underserved and have chronic conditions.

The national physician shortage coupled with the continued expansion of health insurance coverage in 2015 will have serious implications for the nation's healthcare system. Access, quality, cost, and efficiency in healthcare are all critical factors – especially to the medically underserved. Utilizing pharmacists can help ensure access to requisite healthcare services for this vulnerable population. For this reason, we support S. 314, the “Pharmacy and Medically Underserved Areas Enhancement Act,” which would allow Medicare Part B to utilize pharmacists to their full capability by providing those underserved beneficiaries with services not currently reaching them (subject to state scope of practice laws).

The medically-underserved population includes seniors with cultural or linguistic access barriers, residents of public housing, persons with HIV/AIDS, as well as rural populations and many others. Significant consideration should be given to innovative initiatives within the medically-underserved population to enhance healthcare capacity and strengthen community partnerships to offset provider shortages and the surge in individuals with healthcare coverage. It is especially important that underserved beneficiaries with chronic conditions that are transitioning from an acute care facility have continued access to a provider for follow up and to ask questions; oftentimes this is the community pharmacist. NACDS urges the adoption of policies and legislation that increase access to much-needed services for underserved Americans, such as S. 314. This important legislation would lead not only to reduced overall healthcare costs, but also to increased access to healthcare services and improved healthcare quality for underserved patients, and especially for patients with chronic conditions.

### **Conclusion**

NACDS thanks the subcommittee for consideration of our comments. We look forward to working with policymakers and stakeholders on looking to find ways to improve care for Medicare patients with chronic conditions.