



February 23, 2009

The Honorable Arlen Specter
Committee on the Judiciary
United States Senate
Washington, DC 20510

Dear Senator Specter:

In the 111th Congress, if the Committee again considers legislation similar to S. 2161 of the last Congress relating to community pharmacies, we hope that more attention can be given to the views of the Federal Trade Commission. As you know, the FTC was very concerned that such legislation

...threatens to raise prices to consumers, especially seniors, for much-needed medicine. It also threatens to increase costs to private employers who provide health care insurance to employees, potentially reducing those benefits, and to the federal government, which was projected to have paid over 30 percent of the costs of prescription drugs in 2006, all without any assurance of higher quality care.

Consumers Union, the independent, non-profit publisher of *Consumer Reports*, is particularly concerned that such legislation would be a precedent for many other industries and services to claim the need for relief, particularly during the current economic downturn. Like trade protectionism, legislation that grants special relief from anti-trust legislation can rapidly spread throughout an economy, with devastating results for consumers and overall economic efficiency and productivity.

As the FTC witness testified, if in Congress's judgment the smaller retail pharmacy industry needs help, we hope that other ways could be explored to provide that help. Hearings could determine if tighter reimbursement timeframes from Medicare and Medicaid payors, help with electronic prescribing implementation, or simplified small business paperwork requirements might be more targeted approaches to provide help, without threatening the consumer with anti-competitive practices that will result in higher prescription drug prices.

We thank you for your consideration of these concerns.

Sincerely,

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