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## **Community Pharmacy Bill Harmful to Consumers, Limits Access and Will Increase Rx Costs for Millions of Americans**

WASHINGTON – September 28, 2008 – Today the MATCH Coalition, a group of healthcare and provider organizations focused on maintaining the integrity of the country's antitrust laws, responded to the Congressional Budget Office's (CBO) new scoring estimates to H.R. 971/S. 2161, the "The Community Pharmacy Fairness Act." The bill, if passed, would unravel long standing federal and state antitrust laws which for years have protected consumers by ensuring a free, competitive prescription drug market.

The legislation would allow pharmacists to engage in price fixing, colluding, boycotting and other anti-competitive behavior that will raise healthcare costs for consumers, taxpayers, health insurers, employers and government assistance programs. According to the Federal Trade Commission, seniors could be particularly harmed by the bill, as they are more likely to be on a fixed income and experience price increases for essential medications.

"The independent drug store lobby's own study shows their profits and salaries to be on the rise," said Mark Merritt, President and CEO of Pharmaceutical Care Management Association (PCMA). "This is partly because, according to recent reports, they often charge 15 percent more for drugs than other pharmacies and partly because they already hire huge middleman companies which pool their purchasing power. In this economy, policymakers should think twice before giving independent drugstores new collective bargaining rights which would empower them to charge even more drugs."

The bill's sponsors minimize the cost of their proposal to the federal government by applying the antitrust exemption solely to the Medicare Part D program and not to other federal health insurance programs. Also, because the bill assumes the exemption will expire in five years, the 10-year score appears deceptively small. Despite the use of these budget gimmicks, CBO found that the H.R. 971 would increase government spending for Medicare, Medicaid and the Federal Employees Health Benefits Program.

"The anti-trust laws are in place for a reason – they are designed to protect consumers," said William Hermelin, Director of Government Relations and General Counsel for the Academy of Managed Care Pharmacy. "AMCP believes that this legislation will increase costs for patients without increasing quality of care. The proposed legislation provides no rationale as to why the exemption should be made, other than that it would benefit independent pharmacies. While we understand that independent pharmacies

face serious challenges in today's environment, a policy that would increase the cost burden on patients is not the answer."

**ABOUT THE MATCH COALITION**

*The Maintaining AntiTrust for Consumers' Healthcare (MATCH) Coalition is a consortium of health industry organizations working to protect consumers from anti-competitive practices in the healthcare industry that would increase healthcare costs for all Americans and violate 100-year-old federal and state antitrust laws. Coalition Members include: The Academy of Managed Care Pharmacy, Aetna, Blue Cross Blue Shield Association, CVS Caremark, Express Scripts, The Health Leadership Council, Medco, PCMA, United, and Wellpoint. For more information about the MATCH Coalition please visit [www.matchcoalition.org](http://www.matchcoalition.org).*

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