

## Pharmacy Groups Say New Rebate Rule Does Not Do Enough to Support Patients

*New rule fails to address pharmacy DIR fees to lower drug costs*

**ALEXANDRIA, Va. (Nov. 24, 2020)** – The country’s leading pharmacy groups issued the following statement on the Trump administration’s [new final rule on prescription drug rebates](#):

*“While we want our patients to pay less for their prescription drugs, this rule does not accomplish that. It will likely increase their insurance premiums and out-of-pocket costs, and may limit patients’ access to care by forcing more pharmacies to close.*

*“We have repeatedly provided evidence that any action on prescription rebates must also address pharmacy direct and indirect remuneration fees. Pharmacy DIR fees are causing patient prescription drug costs to soar and limiting patient access to care as more pharmacies are forced to close. Our organizations have previously weighed in on the possible dire impact of rebate reform on pharmacies, namely late payments, lack of transparency to pharmacy reimbursement or chargeback amounts at the point of sale, unclear regulatory oversight, and costs associated with implementing such system outlined in the final rebate rule. Without pharmacy DIR fee reform, the impact of implementing a system to pass rebates onto patients at the pharmacy counter may prove disastrous for patients and pharmacies.”*

Pharmacy direct and indirect remuneration (DIR) fees are growing beyond CMS’ projection of 10 percent year-over-year. This growth of pharmacy DIR fees is especially unsustainable during the current COVID-19 public health emergency when our members, representing every aspect of the pharmacy industry, care for patients while also providing access to COVID-19 tests and working to provide access to vaccines.

The groups include the National Community Pharmacists Association; the American Pharmacists Association; the National Association of Specialty Pharmacy; FMI-The Food Industry Association; and the National Grocers Association.

Pharmacy DIR fees are charged by payers to pharmacies and have – according to Centers for Medicare & Medicaid Services data – grown by 45,000 percent since 2010. Resulting from a regulatory loophole, the fees have the net effect of needlessly inflating Medicare patients’ out-of-pocket prescription drug costs and jeopardizing the viability of pharmacies. The number of pharmacies in the United States has declined significantly, coinciding with the increased use of pharmacy DIR fees.

Click here for the groups’ [July 2020 comments warning the administration](#) that action on a prescription drug rebate rule must address skyrocketing fees extracted by pharmacy benefit managers on behalf of plan sponsors in Medicare Part D.

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