

Congress of the United States

Washington, DC 20515

June 7, 2019

President Donald Trump
The White House
1600 Pennsylvania Ave, NW
Washington, DC 20500

Dear Mr. President,

We write today to express our disappointment that the recently finalized Centers for Medicare & Medicaid Services (CMS) rule, Modernizing Part D and Medicare Advantage to Lower Drug Prices and Reduce Out of Pocket Expenses (CMS-4180-F), failed to finalize the pharmacy direct and indirect remuneration (DIR) fee reform for plan year 2020, as included in CMS's original proposal. While we commend the administration for your goal to reduce seniors' out of pocket costs for prescription drugs, we believe that finalizing this rule without including DIR reform is a missed opportunity to deliver real cost savings to Medicare beneficiaries. Without DIR reform, another year could pass before seniors see drug prices lowered at the pharmacy counter.

As CMS itself cited in the proposed rule, DIR fees on pharmacies participating in Part D grew by 45,000 percent between 2010 and 2017. This increase is unacceptable and unsustainable, and creates uncertainty not only for community and specialty pharmacies but also for the patients who rely on Part D prescription drugs. Until pharmacy DIR fee reform occurs, seniors will continue to pay higher cost-sharing for their prescription drugs. CMS estimated that these reforms would have saved Medicare beneficiaries between \$7.1 and \$9.2 billion in cost sharing over the next ten years.

For these reasons, we continue to encourage the administration to move forward with efforts to deliver seniors real relief from rising prescription drug costs. We stand ready to work with you to determine how we can adopt this relief this year.

Sincerely,




Shelley Moore Capito
United States Senator



Jon Tester
United States Senator



James M. Inhofe
United States Senator



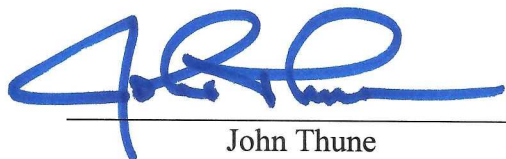
Susan M. Collins
United States Senator



Tom R. Carper
United States Senator



Lisa Murkowski
United States Senator



John Thune
United States Senator



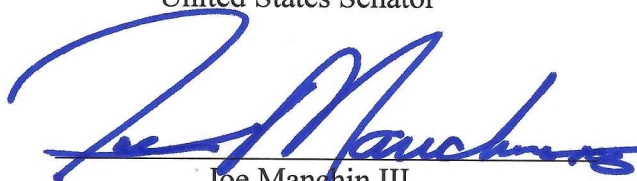
Roger F. Wicker
United States Senator



John Boozman
United States Senator



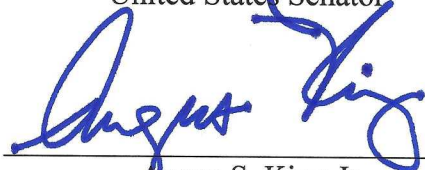
John Hoeven
United States Senator



Joe Manchin III
United States Senator



Jerry Moran
United States Senator



Angus S. King Jr.
United States Senator



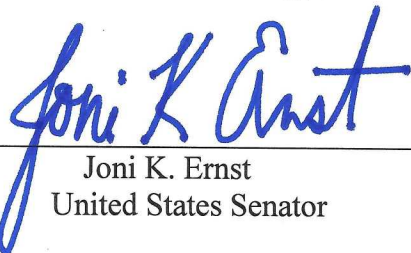
Bill Cassidy, MD
United States Senator



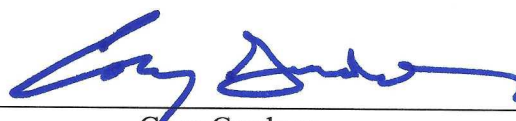
Tom Cotton
United States Senator



Steve Daines
United States Senator



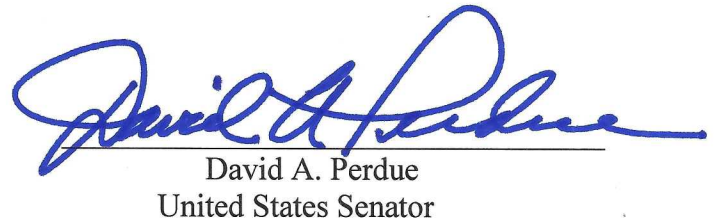
Joni K. Ernst
United States Senator



Cory Gardner
United States Senator



James Lankford
United States Senator



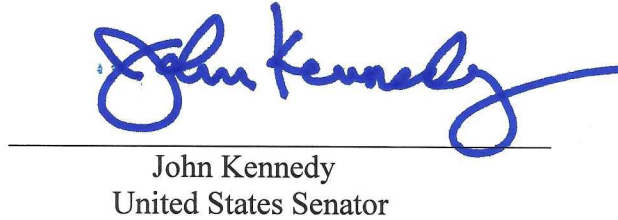
David A. Perdue
United States Senator



M. Michael Rounds
United States Senator



Dan Sullivan
United States Senator



John Kennedy
United States Senator



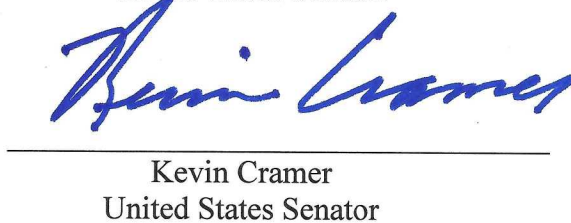
Doug Jones
United States Senator



Cindy Hyde-Smith
United States Senator



Marsha Blackburn
United States Senator



Kevin Cramer
United States Senator



Maria Cantwell
United States Senator

CC: Vice President Mike Pence
Russell Vought, Acting Director, Office of Management and Budget
Alex Azar, Secretary of Health and Human Services
Seema Verma, Administrator, Centers for Medicare & Medicaid Services
Larry Kudlow, Director, National Economic Council
Joe Grogan, Director, Domestic Policy Council