



April 24, 2006

The Honorable Senator Max Baucus
United States Senate
511 Hart Senate Office Bldg.
Washington, D.C. 20510

Dear Senator Baucus:

The Public Hospital Pharmacy Coalition (PHPC) and the National Association of Community Health Centers (NACHC) would like to express their strong support of your proposed legislation designed to strengthen and standardize the Medicare Part D prescription drug program. PHPC's member hospitals and NACHC's member health centers serve the most vulnerable populations in the nation, including millions of Medicare and Medicaid dual eligible recipients and other low income Medicare beneficiaries. As such, the pharmacies owned by or under contract with our members have a critical role to play in the Part D program. Our member pharmacists, due to their existing relationships with Medicare patients, are in a unique position to manage medication-based therapies, monitor drug utilization, provide culturally sensitive pharmacy counseling services, and ensure compliance with drug regimens. Additionally, many individuals who rely on safety net providers have limited means of transportation and, therefore, rely on access to pharmaceutical services at the site of their medical care. This continuity of care improves health outcomes while reducing costs – goals important to Medicare beneficiaries, providers and the Federal government.

Our organizations have fielded numerous calls and e-mails from members who are reporting problems in contracting with Medicare prescription drug plans. Most of these problems relate to participation of our members' pharmacies in the Federal 340B drug discount program and the complexities arising out of the intersection of the 340B and Part D programs. We applaud your proposed legislation because, if enacted, it would help resolve several of the Part D contracting problems associated with our members' participation in the 340B program. Your legislation would prevent plans from excluding pharmacies solely because of their 340B status and would require plans to accept the 340B Model Safety Net Pharmacy Addendum which was developed by the Health Resource Services Administration specifically for Part D contracts. In addition, the legislation would allow providers to offer a consistent policy on cost-sharing requirements for all patients.

Fixing these problems would help ensure that 340B pharmacies are not unfairly excluded from the Part D program, which, in turn, would improve both access and continuity of care for low income Medicare beneficiaries. Thank you for your leadership on this important matter

Sincerely,



William von Oehsen
General Counsel
Public Hospital Pharmacy Coalition



Daniel R. Hawkins, Jr.
Vice-president, Federal, State &
Public Affairs
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Health Centers