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United States Senate

FINANCE
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RULES AND ADMINISTRATION

COMMITTEES:

August 20, 2020

Seema Verma Administrator Center for Medicare and Medicaid Department of Health and Human Services 200 Independence Avenue SW Washington, DC 20201

Dear Administrator Verma:

As you know well, older Americans are at greater risk for serious complications from COVID-19. I appreciate the work your agency has done to enable seniors to receive care and treatment remotely so they can stay home and stay healthy. However, I'm concerned that recent reports of mail delays – including delays in the delivery of prescription drugs¹ – resulting from the actions of the United States Postmaster General will undermine your work to keep seniors healthy in their homes by ensuring the delivery of treatments straight to their doorstep.

Each year, Americans receive hundreds of millions of prescription drug orders through the mail. Medicare beneficiaries account for roughly half of all patients who receive their medication by mail, and their medicines account for nearly two thirds of the volume of mailed prescriptions. Not only is mail order hugely popular among beneficiaries across the country, but CMS' own data has found that these mail order pharmacies to be more efficient than brick and mortar dispensary – overall costs at mail-service pharmacies were 16% less than retail pharmacies.

For many older Americans, receiving medications by mail is more convenient and may even be less expensive. Research has also shown that the ease and certainty of mail order prescriptions improves health outcomes: patients who receive their medications by mail have better medication adherence than those who obtain refills at local pharmacies, especially among patients who are generally less adherent. While there will always be a need for retail options, mail order pharmacies provide significant benefit to both patients and the system as a whole.

Importantly, the vast majority of these treatments are shipped via the United States Postal Service (USPS): a survey of pharmacy benefit managers found that 87 percent of prescriptions were shipped via USPS. For some providers, the volume is as high as 94 percent. The recent

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¹ https://www.cnn.com/2020/08/18/politics/veterans-affairs-us-postal-service-prescription-delays/index.html#:~:text=%22The%20VA%20has%20now%20confirmed,many%20locations%20experiencing%20 much%20more

changes implemented by the Postmaster General that have slowed mail delivery across the country will unquestionably impact the timely delivery of seniors' essential medications.

Delays in the delivery of prescription drugs to seniors would be problematic at any time, but it is especially egregious in the middle of a public health crisis. Though a relatively small portion of seniors have historically received their medications by mail, the availability of prescriptions by mail has taken on new importance in the Coronavirus pandemic. That's especially true for homebound seniors who are both more susceptible to serious COVID-19 illness, and more likely to rely on prescription medications than other segments of the population. During the pandemic, millions of Americans turned to mail order pharmacies to fill their prescriptions without leaving their homes. Some health plans reported increases in mail order volume as high as 28 percent.

It is essential that access to timely medication delivery is maintained during this public health crisis. To understand better the actions that your agency is taking to protect seniors' access to medications, I respectfully request responses to the following questions:

- How is CMS tracking delays in the delivery of prescription drugs? Does the agency have plans to conduct public outreach to make beneficiaries aware of the potential for delays?
- How will CMS guarantee the availability of timely drug delivery for seniors who are unwilling to risk picking up their prescriptions in person?
- What would be the impact on program costs and administration of a shift from USPS to a commercial delivery entity?
- Will consumer complaints associated with delayed medication delivery factor into plan quality measurements?
- Are there regulatory barriers to allowing plans to ship medications earlier than normal to account for USPS delays?
- Could prescription drug plans allow beneficiaries to fill prescriptions that do not arrive on time at retail pharmacies? If so, what safeguards will CMS put in place to ensure medications are accessed appropriately and safely?

Since the start of the Coronavirus pandemic, seniors across the country have done their part to slow the spread of the virus by staying home. We should be doing everything possible to enable them to continue to do so. For that reason, it is more important than ever that seniors are able to receive their medicines on time through the Postal Service. Thank you for your attention to this matter.

Sincerely,

Catherine Cortez Masto United States Senator