

1700 PENNSYLVANIA AVENUE, NW, SUITE 200, WASHINGTON, DC 20006

July 10, 2020

Via Electronic Transmission

The Honorable Mitch McConnell Senate Majority Leader S - 230, U.S. Capitol Washington, DC 20510

The Honorable Chuck Schumer Senate Minority Leader S - 221, U.S. Capitol Washington, DC 20510 The Honorable Nancy Pelosi Speaker of the House H-222, U.S. Capitol Washington, DC 20515

The Honorable Kevin McCarthy House Minority Leader H - 204, U.S. Capitol Washington, DC 20515

RE: COVID-19 Financial Relief for Long-Term Care (LTC) Pharmacies

Dear Leader McConnell, Speaker Pelosi, Leader Schumer, and Leader McCarthy:

We appreciate the efforts you and your colleagues have undertaken to address the COVID-19 pandemic. Our companies, all members of the Senior Care Pharmacy Coalition, represent 30% of the LTC pharmacy sector, and SCPC represents 75% of the sector overall. Without prompt and meaningful relief to offset the financial impact of the pandemic, we are concerned that residents in nursing homes and assisted living facilities may not have access to the prescription medications they need.

Each day, two million Americans in long-term care facilities rely on LTC pharmacies to manage and deliver their medications. These individuals take an average of 12 to 13 medications per day, their prescriptions routinely change and the residents in long-term care facilities turn over regularly. Federal law specifically requires that LTC pharmacies provide health care services to residents in LTC facilities. Getting the medication management right for the vulnerable citizens in long-term care facilities is crucial to their personal health and the quality of care provided in these settings. LTC pharmacies are the essential behind-the-scenes partner that make sure this process goes smoothly.

It is no secret that long-term care facilities and their residents have faced enormous and continuing challenges during the COVID-19 outbreak. Tragically, 40% of COVID-related deaths have occurred among LTC facility residents and staff. These residents can ill afford interrupted access to drugs under the best of circumstances. While the pandemic has presented enormous challenges for LTC pharmacies, we are proud of the consistent support our sector has provided to the long-term care facility residents we serve. Our individual pharmacies across all 50 states have dispensed thousands of prescriptions every day without interruption throughout the COVID-19 outbreak. The absence of the timely, consistent pharmacy support we provide would make the dire circumstances long-term care facilities continue to face much worse.

Due to the pandemic, LTC pharmacy revenues have dropped 25% while costs increased 6% from March to May. To continue meeting the challenges imposed by this unprecedented health crisis, we respectfully request that urgent action be taken to provide \$350 million in desperately needed financial relief to long-term care (LTC) pharmacies, funds that remain available under the CARES Act Provider Relief Fund.

The financial situation for LTC pharmacies mirrors the financial situation for nursing homes and assisted living facilities. Under the CARES Act, Congress and the Department of Health and Human Services have given nursing homes significant financial relief and are working on additional relief for assisted living facilities. By contrast, the Department of Health and Human Services (HHS) has provided only limited relief to LTC pharmacies and in June created new obstacles to further relief for LTC pharmacies.

We always will remain committed to our long-term care facility partners and their residents. We will remain proactive partners in supporting any resources and reforms they need to assure the challenges COVID-19 has presented to these essential facilities are never repeated. But we cannot be silent about the outsized impacts the pandemic has had on our sector and our need for immediate relief to fulfill this nation's promise to our most vulnerable citizens.

America's LTC pharmacies cannot be ignored in relief efforts and we ask you to intervene on our behalf before the August recess. Without financial relief, residents in nursing homes and assisted living facilities may face interruptions in access to essential, life-saving medications. LTC pharmacies need \$350 million in relief – and they need it now. These funds represent 2% of LTC pharmacy annual patient care revenues of \$17.5 billion, which is the benchmark percentage HHS has established for relief for other providers. Congress must address this issue promptly so that HHS has clear guidance to assure LTC pharmacies receive relief they – and the residents they serve – deserve.

Respectfully submitted,

The Senior Care Pharmacy Coalition

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