



January 27, 2025

[Submitted electronically to www.regulations.gov]

Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244-1850

Re: Docket CMS-4208-P for “Medicare and Medicaid Programs; Contract Year 2026 Policy and Technical Changes to the Medicare Advantage Program, Medicare Prescription Drug Benefit Program, Medicare Cost Plan Program, and Programs of All-Inclusive Care for the Elderly.”

ASHP (American Society of Health-System Pharmacists) is pleased to submit comments to the Centers for Medicare & Medicaid Services (CMS) regarding the proposed policy and technical changes for Medicare Part D, Medicare Advantage, and PACE programs for Contract Year (CY) 2026. ASHP is the largest association of pharmacy professionals in the United States, representing 60,000 pharmacists, student pharmacists, and pharmacy technicians in all patient care settings, including hospitals, ambulatory clinics, and health-system community pharmacies. For over 80 years, ASHP has championed innovation in pharmacy practice, advanced education and professional development, and served as a steadfast advocate for members and patients.

ASHP is largely supportive of many of the policies outlined in the proposed rule, but we must again voice our opposition to the framework CMS has proposed to implement the negotiated drug pricing element of the Inflation Reduction Act. Although we support the underlying goals of the IRA’s price negotiations, the proposed framework threatens patients by undermining the financial stability of hospitals, pharmacies, and other community providers.

As ASHP has noted in comments to CMS and during meetings with CMS staff, instead of lowering drug prices, the proposed framework actually increases drug purchasing costs by:

- Forcing providers to purchase medications at an inflated price (wholesale acquisition cost);
- Requiring providers to finance the higher carrying cost of inventory purchased at inflated prices until rebates are received from the manufacturer;
- Creating a system where rebates may be significantly delayed or denied at the manufacturer’s discretion; and
- Saddling providers with inflated administrative costs to comply with rebate programs that vary from manufacturer to manufacturer and drug to drug.

ASHP remains committed to working with the agency to build out a workable system for IRA negotiated pricing implementation. Unfortunately, the current proposal simply cannot be adequately tailored to ensure that our healthcare system realizes the full benefits of the IRA. Instead, we urge the agency to pause implementation to reassess the impact of the proposed framework with additional input from pharmacies and other stakeholders.

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ASHP appreciates the opportunity to offer our input and suggestions on the proposed rule. As CMS moves forward with implementation of the proposed rule, please do not hesitate to contact me at 301-664-8698 or jschulte@ashp.org if ASHP can provide any further information or assist the agency in any way.

Sincerely,

A handwritten signature in black ink that reads "Jillanne Schulte Wall". The signature is written in a cursive, slightly slanted style.

Jillanne Schulte Wall, J.D.
Senior Director, Health & Regulatory Policy