



FOR IMMEDIATE RELEASE:

Contact: Eileen Denne, Eileen@arrx.org; 501-372-5250

**ARKANSAS CONGRESSIONAL DELEGATION RAISES SIGNIFICANT CONCERNS
OVER PBM MEGA-DEAL**

*APA Thanks Members of Delegation for Outlining Concerns over Express Scripts-Medco
Merger*

LITTLE ROCK, AR (March 21, 2012) -- On behalf of more than 2,400 pharmacists throughout the state, the Arkansas Pharmacists Association (APA) today applauded all six members of the Arkansas Congressional delegation for standing up for consumers and community pharmacies by raising concerns over the potential merger between pharmacy benefit managers (PBM) Medco Health Solutions and Express Scripts, Inc.

“The fact that all six members of our Congressional delegation have expressed concerns to the Federal Trade Commission speaks volumes about the threat this merger poses for Arkansas patients and pharmacists,” said APA Executive Vice President Mark Riley.

A pharmacy benefit manager (PBM) is a middleman in the drug industry that sets prices, determines the availability of certain medications, and manages the prescription benefits for health insurers. PBMs affect the quality and cost of health care for hundreds of millions of American consumers and patients. Numerous consumer groups including Consumers Union, Consumer Federation of America, and the National Consumers League have come out in opposition to the proposed merger between Express Scripts and Medco, two of the three largest PBMs in America. This merger would give the combined entity control of more than 60 percent of all mail-order prescriptions and more than 50 percent of our nation’s specialty pharmacy business.

“If allowed to combine, these two companies would control an excessive share of the retail pharmacy supply line, and that will lead to higher costs and reduced choices for patients,” said Riley. “By raising legitimate concerns directly to Federal Trade Commission Chairman Leibowitz, the members of our

Congressional delegation are not just standing up for pharmacists and protecting quality jobs in Arkansas, but they are also representing patients, working families, and small businesses throughout the country.”

Statements from each member of the Arkansas Congressional delegation are listed below:

“I am concerned that the merged company could have greater ability to engage in various anticompetitive tactics that threaten to drive small, local pharmacies out of business... While I believe in fair competition in the marketplace, I have concerns that approval of the Express Scripts and Medco merger could lead to market consolidation and have negative consequences for community pharmacies, employers and other plan sponsors, federal plans, and most importantly, consumers who should have access to affordable medications.” *Senator Mark Pryor letter to FTC Chairman Jon Leibowitz, March 15, 2012.*

“Given the challenges facing our healthcare system, we must carefully consider business decisions that could facilitate anticompetitive market forces, minimize individual choice, and increase consumer burdens. I understand that your office is reviewing the pending Express Scripts/Medco merger, and I write to ask that you thoroughly investigate the impact this proposed merger would have on consumers, patients, community pharmacists, and other payers and entities... Lastly, as TRICARE, Medicare Part D, and other government-financed prescription drug programs continue to rely on PBMs to manage their services, we must avoid anticompetitive market changes and work to protect taxpayer dollars.” *Senator John Boozman letter to FTC Chairman Jon Leibowitz, February 9, 2012.*

“The proposed merger of these two corporations could result in an unparalleled market concentration in an already limited PBM market further exacerbating an increasing problem for pharmacists and further restricting consumer choice... The proposed merger raises anti-trust concerns as well as concerns for consumers and pharmacies. An investigation can also determine the impact on third-party payers, federal payers, and consumer choice. Please consider examining what effects this merger would have on consumers, beneficiaries, and pharmacies.” *Congressman Rick Crawford letter to FTC Chairman Jon Leibowitz, March 13, 2012.*

“As the former owner of a family pharmacy, I know how competitive the industry has become, and I have concerns that together ESI and Medco Health Solutions, Inc. will wield an unhealthy power in the marketplace. Additionally the Congressional District I represent is predominately rural. While a majority of my constituents live in towns or cities, having access to small community pharmacies is crucial. These businesses are truly threatened by the PBMs that make special deals with the drug manufacturers... And when a small town drug store goes out of business, the jobs it provided will disappear along with the

taxes it paid. ...I hope the FTC looks very hard at this merger and concludes it does not serve the interests of the American people.” *Congressman Mike Ross letter to FTC Chairman Jon Leibowitz, February 23, 2012.*

“I request that you thoroughly review the merits of this merger and the impact it could have on pharmacies and patients’ access to affordable prescription drugs. If merged, the Express Scripts-Medco firm would control 40 percent of the nation’s prescription drug industry, or 120 million American prescription drug customers. With this level of market concentration, I ask you to please review this merger to ensure competition in the prescription drug industry so that consumer choice, patient access and community pharmacists are not negatively impacted.” *Congressman Tim Griffin letter to FTC Chairman Jon Leibowitz, March 20, 2012.*

“Because I have a military background obviously the TriCare program is very important to me. And this is for you, Mr. Chairman, should the FTC approve the Express Scripts – Medco merger, do you believe that the new company’s control over 30% of the retail drug market, nearly 60% of the total mail order market, will benefit the next round of TriCare contract bidding or will it detract from the program’s ability to provide affordable prescription access to American military families?” *Questioning by Congressman Steve Womack at [Appropriations Subcommittee on Financial Services hearing with Federal Trade Commission](#), March 5, 2012.*

The Arkansas Pharmacists Association, founded in 1882, is the statewide professional association representing approximately 2,400 pharmacists in Arkansas. APA strives to further the professional advancement of pharmacists, advocate the value of pharmacy, and safeguard the health and well-being of every Arkansan. Its mission is to advance a professional and business environment for Arkansas pharmacists to be successful and fulfilled in serving patients.

###