

## **NEW REPORT SHOWS CONGRESS MUST FIX BROKEN LTC PHARMACY PAYMENT MODEL**

A new study from the **Senior Care Pharmacy Coalition (SCPC)**, the nation's leading voice for long-term care (LTC) pharmacies, performed by **CLA (CliftonLarsonAllen LLP)** and with input from **ATI Advisory** details the significant financial impact Medicare drug price negotiations will have on LTC pharmacies that provide essential, government required services to more than two million seniors and others in long-term care.

**The Results are Clear:** Unless Congress fixes the broken LTC pharmacy payment model, many of our nation's essential LTC pharmacies will not survive, putting senior care in jeopardy.

## **KEY FACTS & FINDINGS**

The Medicare payment model is broken, forcing LTC pharmacies to dispense meds significantly below their own costs while allowing Part D Plans and PBMs to reap massive profits at their expense.

The report shows a total average cost to dispense of **\$14.98 per prescription**, which is more than double the average base dispensing cost incurred by pharmacies.

Applying new Medicare Part D negotiated prices on LTC pharmacies will result in an unsustainable **27.5% loss** in margin for their essential services.

Given their higher cost per script and current regulatory environment, it is necessary to implement a new and fair payment policy for LTC pharmacies.

### ***The Need for Action***

Roughly two million seniors in long-term care depend on essential LTC pharmacy services that are not otherwise available. Unfortunately, unintended consequences arising from Medicare drug price negotiations threaten seniors' access to medicines – and the problem only grows more dire with the perverse LTC pharmacy reimbursement dictated by big PBMs.

**Negotiated prices for the first 10 brand drugs take effect in January 2026 and will drastically alter how LTC pharmacies are paid for their services.** And since long-term care residents rely heavily on eight of these drugs, many LTC pharmacies will face unsustainable financial losses, putting senior care in jeopardy. The problem will only get worse as more drugs are subject to price negotiations each year.

**CONGRESS MUST SAVE SENIOR RX CARE BEFORE IT'S TOO LATE!**