



December 24, 2025

[Submitted electronically to [www.reginfo.gov](http://www.reginfo.gov)]

The Honorable Mehmet Oz, MD  
Administrator  
Centers for Medicare & Medicaid Services (CMS)  
Department of Health and Human Services (HHS)  
7500 Security Boulevard  
Baltimore, MD 21244-1859

**RE: [\[Document Identifier: CMS-10849\]](#) Agency Information Collection Activities:  
Submission for OMB Review; Comment Request**

Dear Administrator Oz,

The American Pharmacists Association (APhA) appreciates the opportunity to provide CMS and HHS comments on the “Agency Information Collection Activities: Submission for OMB Review; Comment Request.”

APhA is the only organization advancing the entire pharmacy profession. It represents pharmacists, student pharmacists, and pharmacy technicians in all practice settings, including—but not limited to—community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care, and enhance public health.

With January 1, 2026, just days away, Medicare’s first round of drug price negotiations is set to take effect. While this comment request focuses on the third round of negotiations, there are still many outstanding questions about the Medicare Drug Price Negotiation Program (MDPNP) and its impact on pharmacies. Accordingly, APhA asks CMS to collect information related to the program’s impact on pharmacy operations, pharmacy reimbursement, and beneficiary access to the medications selected for price negotiations.

There have been numerous reports that pharmacies will be the first to feel the impact of the MDPNP and that some pharmacies are already taking steps to avoid participating in the

program.<sup>1</sup> A survey conducted in September of approximately 10,450 pharmacy owners and managers found that 19% of respondents said, “they have decided not to stock drugs in the MDPNP because they anticipate the program will cause cashflow problems and revenue loss.”<sup>2</sup> That same survey also noted that 67% of respondents “are considering not stocking drugs in the program for the same reason.”<sup>3</sup> These concerns were echoed in a recent letter to Secretary Kennedy and Administrator Oz from Senators Lankford, Tillis, Daines, Blackburn, Marshall, and Cassidy.<sup>4</sup> APhA reiterates these concerns about the potential negative implications of stocking these medications. The fear of underwater reimbursements and having significant cash tied up in fronting the costs of these medications is real, especially as pharmacies are closing at unprecedented rates. Research has shown that nearly one in three pharmacies closed between 2010 and 2021<sup>5</sup>, and that at least 326 pharmacies closed between December 19, 2024, and March 10, 2025.<sup>6</sup> Originally, the “Wholesale Acquisition Cost (WAC) – Most Favored Nation (MFN)” reimbursement framework was to essentially give community pharmacies “100% WAC” as their top-line reimbursement. However, if manufacturers simply lower their WAC, as is occurring right now,<sup>7</sup> this ultimately leaves pharmacies with zero margin on these products, creating additional patient access issues. Accordingly, APhA asks CMS and HHS to collect

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<sup>1</sup> See Sujith Ramachandran, *Pharmacies Will Be the Canary in the Coal Mine on the Medicare Drug Price Negotiations*, Stat (Nov. 28, 2025). Available at: <https://www.statnews.com/2025/11/28/medicare-drug-price-negotiation-program-pharmacies-rollout/>. See also Brian Nowosielski, *Pharmacy Owners Say They Are Unable to Participate in MDPNP*, Drug Topics (Sept. 6, 2025). Available at:

<https://www.drugtopics.com/view/pharmacy-owners-say-they-are-unable-to-participate-in-mdnpn>.

<sup>2</sup> Report for Medicare Drug Price Negotiation Program and Financial Health of Pharmacy, NCPA (Sept. 2025). Available at: <https://ncpa.org/sites/default/files/2025-09/Sept-2025-NCPASurvey-MDPNPandFinancialHealth.pdf>.

<sup>3</sup> *Id.*

<sup>4</sup> Letter from Senators Lankford, Tillis, Daines, Blackburn, Marshall, and Cassidy to The Honorable Robert F. Kennedy, Jr. and The Honorable Mehmet Oz, United States Senate (Dec. 11, 2025). Available at: <https://www.lankford.senate.gov/wp-content/uploads/2025/12/2025-12-11-Senate-MFP-Effectuation-Letter-to-CMS-HHS.pdf>.

<sup>5</sup> Jason Millman, *Nearly 1 in 3 Retail Pharmacies Have Closed Since 2010, Widening Health Disparities*, USC Leonard D. Schaeffer Institute for Public Policy & Government Service (Dec. 3, 2024). Available at: <https://schaeffer.usc.edu/research/pharmacy-closures-united-states-health-affairs/>.

<sup>6</sup> 326 Pharmacies Have Closed Since Elon Musk Tanked PBM Reform, American Economic Liberties Project (Mar. 10, 2025). Available at: <https://www.economicliberties.us/press-release/326-pharmacies-have-closed-since-elon-musk-tanked-pbm-reform/#:~:text=326%20Pharmacies%20Have%20Closed%20Since%20Elon%20Musk%20Tanked%20PBM%20Reform,-March%2010%2C%202025&text=Washington%2C%20D.C.%20%E2%80%94%20The%20American%20Economic,of%20a%20stopgap%20pending%20bill>.

<sup>7</sup> McKesson, *Ongoing Industry Event – Future Brand WAC Decreases, List of Recent/Upcoming WAC Decreases – As of 12/11/2025*, McKesson (Dec. 11, 2025). Available at: <https://view-su2.highspot.com/viewer/94b822eec2382ff2ca25d03730915aa7?iid=66a80e560a5ad943363395f0&source=email.69161748ce02dfc25b68ff11.0#1>.

additional data on pharmacy reimbursement under the MDPNP and any impact on community pharmacy closures and the resulting creation of pharmacy deserts.

Pharmacies stocking the selected drugs and participating in the MDPNP must register for the Medicare Transaction Facilitator (MTF) to exchange information and receive reimbursement. There is concern that not all pharmacies have registered for the new payment system, which could lead to access issues.<sup>8</sup> With respect to enrollment in the MTF, the survey cited above also found that 39% of respondents “stated yes, their pharmacy/all their pharmacies were enrolled,” 31% “stated no, they have not begun the enrollment process,” 22% “stated no, but they have begun the enrollment process,” 4% stated “they began but gave up,” and 4% stated “they haven’t and do not know what the MTF is.”<sup>9</sup> While this survey was conducted in September, the concern that not all pharmacies are registered remains real today. As such, APhA further encourages CMS to promote MTF registration and prepare for increased questions and outreach starting at the beginning of the year, as registered pharmacies navigate these changes and unregistered pharmacies become aware that they must register to enroll.

In section 40.4.2.2 of the [final guidance](#) from September, CMS provided a process for pharmacies anticipating material cash flow challenges to self-identify. In hopes of alleviating this burden on pharmacies, CMS, within section 90.2.1 of the final guidance, outlined requirements for Primary Manufacturers to include processes to mitigate cash flow problems for pharmacies in their MFP effectuation plans.<sup>10</sup> APhA encourages CMS to review the implementation of such programs and their impact on the cash flow problems reported by these pharmacies. If CMS finds that successful processes have been put in place by the Primary Manufacturers, they should encourage the manufacturers of future selected drugs to implement similar processes to help pharmacies offset this cost burden during each negotiation cycle, since CMS refuses to front the costs of this program. Additionally, CMS should collect information on pharmacies that identified themselves as anticipating material cash flow problems and were unable to mitigate them. CMS should review these instances to identify ways it can intervene during future negotiation cycles to avoid further burdening pharmacies in similar situations.

Given the uncertainty regarding pharmacy operations and reimbursement following the implementation of this program, APhA also encourages CMS to collect information on its

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<sup>8</sup> Letter from Senators Lankford, Tillis, Daines, Blackburn, Marshall, and Cassidy to The Honorable Robert F. Kennedy, Jr. and The Honorable Mehmet Oz, United States Senate (Dec. 11, 2025). Available at: <https://www.lankford.senate.gov/wp-content/uploads/2025/12/2025-12-11-Senate-MFP-Effectuation-Letter-to-CMS-HHS.pdf>.

<sup>9</sup> Report for Medicare Drug Price Negotiation Program and Financial Health of Pharmacy, NCPA (Sept. 2025). Available at: <https://ncpa.org/sites/default/files/2025-09/Sept-2025-NCPAsurvey-MDPNPandFinancialHealth.pdf>.

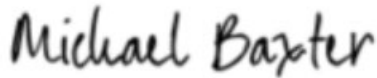
<sup>10</sup> Chris Klomp, Medicare Drug Price Negotiation Program: Final Guidance, Implementation of Sections 1191 – 1198 of the Social Security Act for Initial Price Applicability Year 2028 and Manufacturer Effectuation of the Maximum Fair Price in 2026, 2027, and 2028, CMS (Sept. 30, 2025). Available at: <https://edit.cms.gov/files/document/ipay-2028-final-guidance.pdf>.

impact on beneficiary access to these medications. The medication's price becomes a concern if the patient cannot access it at their preferred pharmacy. Accordingly, APhA urges CMS to evaluate the impact of MDPNP on Medicare beneficiaries' access to negotiated drugs. CMS should utilize the findings of this research to shape future decisions, including how pharmacies are reimbursed for these medications.

Unique to this third cycle of negotiations, Medicare Part B drugs may be included for the first time. As such, APhA urges CMS to collect information on any potential implications of including Medicare Part B drugs in this negotiation for pharmacies or their administration.

Thank you for the opportunity to provide comments. If you have any questions or would like to meet with APhA and our nation's pharmacists, please contact Corey Whetzel, APhA's Senior Manager, Regulatory Affairs, at [cwhetzel@aphanet.org](mailto:cwhetzel@aphanet.org).

Sincerely,

A handwritten signature in black ink that reads "Michael Baxter". The script is cursive and fluid, with the first name "Michael" and last name "Baxter" clearly legible.

Michael Baxter  
Vice President, Government Affairs

CC: The Honorable Robert F. Kennedy, Jr., United States Secretary of Health and Human Services