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January 26, 2016

The Honorable Orrin Hatch
Chairman
United States Senate
Committee on Finance
Washington, DC 20510-6200

The Honorable Ron Wyden
Ranking Member
United States Senate
Committee on Finance
Washington, DC 20510-6200

The Honorable Johnny Isakson
United States Senate
Committee on Finance
Washington, DC 20510-6200

The Honorable Mark R. Warner
United States Senate
Committee on Finance
Washington, DC 20510-6200

Walgreens would like to, again, thank Chairman Hatch, Ranking Member Wyden, Senator Isakson, Senator Warner and other members of the Committee on Finance’s Bipartisan Chronic Care Working Group for the opportunity to submit comments to the latest Policy Options Document. We look forward to continuing our engagement with the working group to provide thoughtful input on policies and legislation to improve the lives of Medicare beneficiaries living with chronic disease.

Walgreens operates over 8,000 stores in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands, at which more than 8 million customers interact with our pharmacists each day. Our stores are located within 5 miles of 76% of the U.S. population, and approximately half of our stores are located in medically underserved communities. Walgreens pharmacy services—including retail, specialty, health system, mail service, as well as online and mobile services—improve health outcomes and lower costs for payers including employers, managed care organizations, health systems, pharmacy benefit managers and the public sector.

We strongly support the three main bipartisan goals of the working group as outlined in the Policy Options Document. Walgreens, as a member of the National Association of Chain Drug Stores (NACDS), supports their comments provided to the working group. We also write separately to add to the discussion of how community pharmacists are making a difference for chronically ill patients through disease and medication management, administering immunizations, and partnering with health systems to advance health and wellness. Below we outline policy positions for how pharmacists and pharmacies can play a greater role in the lives of chronically ill Medicare beneficiaries, as well as help ameliorate the perfect storm of

an aging population, increasing prevalence of chronic disease and growing need for access to healthcare services. Specifically, we highlight the need to recognize pharmacists as healthcare providers, improve medication adherence, reduce hospitalizations through transitional care programs, and innovate through telehealth.

- Pharmacist provider status is an effective policy approach to help address the crisis of an aging population, physician shortages and surging health care demand. Walgreens continues its strong support of legislative action to recognize pharmacists as non-physician providers under Medicare Part B. The *Pharmacy and Medically Underserved Areas Enhancement Act* (S. 314 and H.R. 592) would enable pharmacists greater ability to increase care coordination and provide patient care services consistent with state scope of practice laws to address the unmet healthcare needs of Medicare beneficiaries in medically underserved communities across the country.
- Medication adherence is essential for maintaining the health and well-being of the chronically ill. Medication non-adherence is driven by a myriad of factors and at Walgreens our pharmacists strive to provide solutions to these factors. Key programs that help us achieve success include medication therapy management (MTM), new to therapy consultations, 90-day fills at retail, medication synchronization, and chronic disease education and management such as pre-diabetes education. These programs have proven results to both reduce the growth of Medicare spending and improve health outcomes. Walgreens supports legislative and regulatory action to further pharmacists' ability to ensure patients understand their disease and stay adherent to their medications.
- Transitions of care programs are a proven, effective approach to reduce hospitalizations and create substantial savings in the health care system. To illustrate the need, an estimated 20% of hospitalized Medicare patients are readmitted to the hospital within 30 days of discharge. This costs Medicare \$15 billion, with 80% of the cost due to preventable readmissions. A recent Walgreens study found hospital patients who participated in our care transitions program called "WellTransitions" were 46% less likely to experience an unplanned hospital readmission within 30 days of discharge. We urge the working group to engage with the pharmacy community on a legislative strategy to reduce hospital readmissions through pharmacy-led transitions of care.
- Telehealth will be an essential component of our healthcare system's future. However, the time is now for Congress to begin removing the barriers that impede greater use of this valuable tool. Telehealth is no longer just about reaching patients in rural areas. More than 20 states require coverage of telehealth in the commercial marketplace. Forty-five states cover telehealth in Medicaid, and more than half of all U.S. hospitals now use some form of telehealth. Yet, the Medicare program remains stuck in a decades-old approach to care delivery. Advances in this area would allow all providers to maximize efficiency and reach our most vulnerable populations.

Walgreens is very appreciative of another opportunity to provide comments to the Bipartisan Chronic Care Working Group. We look forward to ongoing engagement with the working group on these important issues, and helping to navigate a path for how pharmacists and pharmacies can help achieve better outcomes for Medicare beneficiaries living with chronic illnesses. If I can be of any further assistance, please do not hesitate to ask. I can be reached at (202) 393-0414 or via email at ed.kaleta@walgreens.com.

Sincerely,

A handwritten signature in blue ink that reads "Edward J. Kaleta" followed by a stylized flourish.

Edward J. Kaleta