

ONE HUNDRED SIXTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115

Majority (202) 225-2927
Minority (202) 225-3641

August 21, 2020

Larry J. Merlo
President and Chief Executive Officer
CVS Health
One CVS Drive
Woonsocket, RI 02895

Dear Mr. Merlo:

Given increasing reports of mail delivery delays and pursuant to Rules X and XI of the U.S. House of Representatives, the Committee is investigating the impact of recent changes within the U.S. Postal Service (USPS or the Postal Service) on the delivery of mail-order prescription drugs to patients throughout the United States.¹ We have serious concerns that the Trump Administration's restructuring efforts within USPS, occurring as the nation faces the coronavirus disease of 2019 (COVID-19) pandemic, may be leading to delivery delays of prescription medications, adversely affecting the health of millions of Americans who depend on the Postal Service to receive their medications.

As the Committee of jurisdiction over the approval and coverage of prescription drugs in the United States, we are concerned by reports that these changes within USPS have negatively impacted the delivery of medications to patients who need them.² Our concern is further heightened given that these changes began while the nation continues to endure the public health threat of COVID-19. As a result of the pandemic, mail services are even more essential as many Americans continue to follow social distancing guidelines and remain at home to mitigate the spread of the virus.

¹ *Here's who may be impacted by the post office slow down*, CNBC (Aug. 17, 2020); *USPS Delays Are Causing People To Get Their Prescriptions Late*, BuzzFeed News (Aug. 17, 2020).

² *USPS Delays Are Causing People To Get Their Prescriptions Late*, BuzzFeed News (Aug. 17, 2020).

Since July, Postmaster General Louis DeJoy has sought to implement operational changes within USPS, as well as to overhaul the Postal Service's executive management team.³ According to a series of memos that have since been made public, these initiatives include numerous "cost-cutting" measures such as reductions in employee overtime pay, new requirements on mail dispatches and transportation schedules, and the removal of high-volume mail-processing machines from USPS facilities around the country.⁴

While Postmaster General DeJoy announced on August 18, 2020, that he would suspend changes to USPS until after the Presidential election on November 3, 2020, our concerns remain.⁵ It is still not clear if changes already underway will be reversed, and if not, how they may still impact patients who receive their prescriptions through the mail both now through Election Day and beyond.

As cautioned by the President of the American College of Physicians (ACP), "A delay in receiving a necessary prescription could be life-threatening. My patients who rely on their insulin, or their inhalers, or any other type of medication can't wait weeks to see whether or not their prescription will be delivered."⁶ In an August 17, 2020 letter to Postmaster General DeJoy, AARP voiced similar concerns, noting that USPS "has proven to be a lifeline for older Americans, especially those in rural communities as well as those with medical conditions who are most at risk from the coronavirus." AARP further emphasized that "more than ever before, people are relying on the USPS to deliver their lifesaving prescription medications...allowing them to remain safely at home."⁷

According the National Association of Letter Carriers, "in ordinary times, the Postal Service...handles 1.2 billion prescription drug shipments a year."⁸ A recent analysis found that in March 2020 alone, the number of mail-order prescriptions grew by 21 percent as a result of the pandemic, and as of this month, mail-order prescriptions accounted for 5.1 percent of the

³ *Trump administration taking unusual steps to put its stamp on Postal Service ahead of November elections*, CNN (Aug. 10, 2020); Memorandum from United States Postal Service to All Employees, Mandatory Stand-Up Talk: All Employees (Jul. 10, 2020); *Postal Service memos detail 'difficult' changes, including slower mail delivery*, Washington Post (July 14, 2020).

⁴ *Postal service removes some mail-sorting machines, sparking concerns ahead of election*, CNN (Aug. 13, 2020).

⁵ United States Postal Services, *Statement by Postmaster General Louis DeJoy* (Aug. 18, 2020).

⁶ American College of Physicians, *Internists Say Delivery of Mail-order Prescriptions is Critical* (Aug. 17, 2020) (press release).

⁷ Letter from Nancy A. LeaMond, Executive Vice President and Chief Advocacy and Engagement Officer, AARP, to the Honorable Louis DeJoy, Postmaster General and Chief Executive Officer, United States Postal Service (Aug. 17, 2020).

⁸ National Association of Letter Carriers, *Statement by NALC President Fredric Rolando: The Postal Service is vital in this crisis* (Mar. 27, 2020).

market.⁹ In fact, data published August 7, 2020 shows that mail-order prescription delivery volume continues to be higher compared to last year.¹⁰

Given the increasing reliance on mail-order prescription delivery and the critical need to ensure all patients are receiving their medications in a timely manner, we are writing to request information to better understand how the changes within the Postal Service may have impacted delivery of prescription medications and the health and well-being of Americans. These changes are particularly worrisome in the midst of the COVID-19 pandemic and we are interested in learning about both the impacts that have already occurred and what you anticipate happening if the changes are fully implemented after the election.

As one of the largest pharmacy benefit manager organizations, as well as one of the largest retail pharmacy chains, CVS Caremark and CVS Pharmacy, respectively, (CVS Health) works directly with health plans to offer their enrollees mail-order delivery of their medications to their home and provides home delivery services to its pharmacy patients. We therefore presume that CVS Health has access to information and data demonstrating potential impacts that changes within Postal Service may have had on home delivery services.

In order to assist the Committee's oversight efforts, we request that you provide the following information and responses as soon as possible, but no later than September 11, 2020.

1. Please provide a description of the mail-order delivery services offered by CVS Health, including the breakdown of supply duration for prescription refills (i.e. the percentage of 30-day and 90-day supplies filled).
2. Please provide any known demographic data for the enrollees and patients utilizing CVS Health's mail-order delivery services for prescription medications, including by known medical condition, age, race and ethnicity, income level, and geographic status, where possible.
3. To the fullest extent that the following is known and available, please provide:
 - a. The total percentage and breakdown by enrollee type of prescriptions filled via mail-order delivery services by CVS Caremark each month for the period of March 2019 through August 2019 and March 2020 through August 2020, as well as the total percentage of prescriptions filled via mail-order delivery services by CVS Pharmacy each month for the period of March 2019 through August 2019 and March 2020 through August 2020.

⁹ *Here's who may be impacted by the post office slow down*, CNBC (Aug. 17, 2020).

¹⁰ IQVIA, *Monitoring the Impact of COVID-19 on the Pharmaceutical Market, Data week ending July 24, 2020* (Aug. 7, 2020).

- b. The total percentage and breakdown by enrollee type of prescriptions filled via mail-order services delivered by USPS for CVS Caremark for each month for the period of March 2019 through August 2019 and March 2020 through August 2020, as well as the total percentage of prescriptions filled via mail-order services delivered by USPS for CVS Pharmacy each month for the period of March 2019 through August 2019 and March 2020 through August 2020.
 - c. The range and average length of delivery time for mail-order delivery services by CVS Caremark and CVS Pharmacy each month for the period of March 2019 through August 2019 and March 2020 through August 2020.
 - d. The percentage of prescriptions filled via mail-order delivery services by CVS Caremark and CVS Pharmacy for the period of March 2019 through August 2019 and March 2020 through August 2020 broken down by type of enrollee, as well as medication class and type, including specialty drugs. For each medication type, please indicate and describe any time-sensitive factors, such as any storage temperature considerations, that necessitate expedited delivery.
4. Has any official from the Postal Service or the Trump Administration consulted with CVS Health regarding the changes to the Postal Service or inquired about the potential impact on mail-order prescription delivery services? If so, please provide further information regarding this interaction, including the first date of the related interaction.
5. Has CVS Health received complaints—anecdotally or through formal channels—from health plans or employers, enrollees, patients, or customers regarding delays or lost mail-order delivery prescriptions since March 2020? If so, please detail these accounts, particularly indicating the number of complaints per month as well as whether there was a notable increase beginning in July 2020.
6. Should Postmaster General DeJoy's operational changes within the Postal Service, such as restricting delivery transportation schedules and bundling mail services, not be fully reversed or be implemented further after November 3, 2020, what potential impacts on prescription drug delivery and American's health could occur? What actions, if any, is CVS Health intending to take to mitigate any adverse impacts?

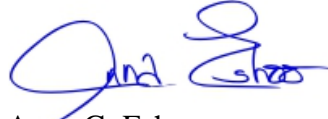
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Thank you for your prompt attention to this manner. If you have any questions about this request, please contact Jacquelyn Bolen and Jesseca Boyer of the Majority staff at (202) 225-2927.

Sincerely,



Frank Pallone, Jr.
Chairman



Anna G. Eshoo
Chairwoman
Subcommittee on Health



Diana DeGette
Chair
Subcommittee on Oversight
and Investigations