

Rick Wasem



December 11, 2018

Peter Muchetti
Healthcare and Consumer Products Section, Antitrust Division
Department of Justice
450 5th street NW, Suite 4100
Washington, DC 20530

Dear Chief Mucchetti,

I am writing to urge you to reject the proposed merger of CVS/Caremark and Aetna. Vertical integration as well as reduction in competition through mergers has proven to increase the cost of drugs and healthcare in general. The merger of Medco and Express Scripts a few years ago put nearly 60% of Part D Medicare as well as many non medicare plans in the hands of this large and powerful organization. The testimony given by these organization to the FTC claim that the merger would lower drug costs was false and has been proven so. There is no transparency in drug pricing by these organization and we now see consumers paying copays that are higher than the reimbursement at the pharmacy level with excess being collected by the PBM. There is no value added in return for the higher cost other than enhanced profit for the PBM. As a result of formulary restrictions imposed by the PBM's many patients suffer unaffordable copays, delays in receiving medication and costs for the physician, pharmacy and patient all increase.

I'm sure you are aware of the various state investigations into problems with the CVS/ Caremark relationship. Caremark was paying CVS much higher rates for identical prescriptions compared to the reimbursement to other pharmacies. This involved managed Medicaid which may justify a look by the DOJ if that has not been done.

The insurers have not delivered on their claims of being capable of lowering healthcare costs. In many instances they have reduced payments to providers yet increased out of pocket costs to patients.

Many opportunities already exists for insurers to partner with providers be it pharmacy networks or other providers. It would be prudent to watch how these partnerships address cost saving initiatives that translate to lower patient cost and/or improved outcomes and develop best practices that can be shared industry wide.

Please protect the healthcare consumer and reject the proposed merger. We have a very good healthcare system but our payer system is broken and solutions will not be found through vertical integration.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Wasem". The signature is fluid and cursive, with a large initial "R" and a long, sweeping underline.

Rick Wasem