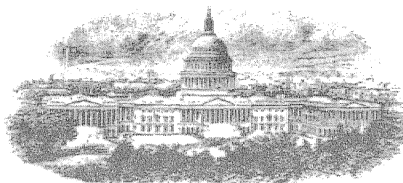


DON YOUNG
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Congress of the United States
House of Representatives
Washington, DC 20515

August 4, 2011

COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN, SUBCOMMITTEE ON
INDIAN AND ALASKA NATIVE AFFAIRS
COMMITTEE ON
TRANSPORTATION & INFRASTRUCTURE
REPUBLICAN
POLICY COMMITTEE

The Honorable Jon Leibowitz
Chairman
Federal Trade Commission
600 Pennsylvania Avenue N.W.
Washington, DC 20580

Dear Chairman Leibowitz:

I am writing to express my concerns regarding the proposed merger of pharmacy benefit manager (PBM) giants, Express Scripts and Medco. The proposed merger of these two corporations would result in unparalleled market concentration in an already extremely limited PBM marketplace. The resulting limited PBM marketplace would most likely result in reduced choices for all third party payers including the federal government, particularly with respect to the TRICARE program, Medicare Part D and the Federal employees' health benefit program.

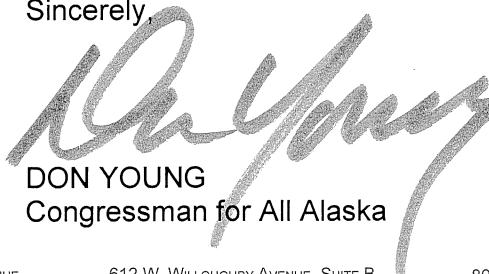
The combined "synergies" of the merged entity may not lower drug costs. It may simply create greater negotiating leverage to enable this new merged PBM to extract additional savings from other market participants, which has no guarantee of being passed on to plan sponsors and consumers. Given the fact that the PBM industry is virtually unregulated at either the federal or state level, and the long list of substantial enforcement actions taken against each of the major PBMs in the past few years alleging fraudulent and deceptive conduct, I am extremely skeptical that American taxpayers can trust this "super PBM" to look out for their best interests.

I am also concerned that this proposed merger would have an extremely devastating effect on independent community pharmacies. Community pharmacists serve as a valuable resource to patients in promoting optimal medication usage and adherence, as well as working with other healthcare providers to coordinate patient care. Even today, independent community pharmacies, in particular, have extremely limited leverage when negotiating contracts with PBMs. This proposed merger could result in even more onerous contract provisions for independent pharmacies which may drive a significant number out of business. This will cost jobs and revenues in my state of Alaska. Given the fact that independent community pharmacies typically serve patients in rural and very urban areas, this is of particular concern to me, given the unique challenges Alaska presents to health care delivery.

The proposed merger raises significant anti-trust concerns but also may have negative effects on third-party and federal payers. It threatens to further limit consumer choice and would unlikely result in cost savings for patients. Given the totality of the circumstances, I feel it would be prudent for the FTC to block the proposed merger of Express Scripts and Medco.

I sincerely appreciate your time.

Sincerely,



DON YOUNG
Congressman for All Alaska

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