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Congress of the United States
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COMMITTEE ON ARMED SERVICES
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GUN VIOLENCE PREVENTION
TASK FORCE
Vice Chair

September 9, 2014

Larry J. Merlo
Chief Executive Officer
CVS Health
One CVS Drive
Woonsocket, Rhode Island 02895

Dear Mr. Merlo:

As the Ranking Member of the House Oversight and Government Reform Committee's Subcommittee on Energy Policy, Health Care, and Entitlements Subcommittee, I am concerned with CVS Health's implementation of the Affordable Care Act's (ACA) "Women's Health Amendment" or section 2713 of the Public Health Service Act that requires coverage of women's health preventive services without cost sharing, specifically access to contraception.¹ Not only is this a violation of federal law, but it is also in violation of the company policy listed on your website: "As a part of preventative care, prescription birth control is now free if generic, and available through a co-pay if brand name."²

It has come to my attention, via my staff member, that many women who frequent CVS pharmacies are being illegally charged copays when they attempt to fill their generic contraception prescriptions. When my staffer recently attempted to fill her generic oral contraceptive prescription at a CVS pharmacy in Washington, D.C., she was charged an illegal \$20 co-pay. The pharmacist told her this had been happening frequently across insurance companies. My staffer's insurance company referred her to CVS Health, who told her it was a drug price coding error that would need an email override to be corrected for each individual case.

Although my staff member's issue was eventually resolved a week and numerous phone calls and pharmacy visits later, I am concerned that most women who are likely not as familiar with their rights under the ACA may go without this essential family planning service that is supposed to be guaranteed to them under law. With women representing two-thirds of minimum wage workers, and the cost of some contraceptive methods such as an IUD being nearly equivalent to a month's full-time pay for workers earning the minimum wage, this scenario is not just a possibility, but a harsh reality.

¹ <http://www.hrsa.gov/womensguidelines/>


² <http://info.cvscaremark.com/cvs-insights/what-affordable-care-act-means-prescription-coverage#>

As Ranking Member of the Subcommittee, I request that you provide me with the following information:

- 1) What is the scope of this drug coding error? How many women, and in which states, have been affected?
- 2) How many women have been charged an illegal co-pay for their prescription and have paid the fee? What is the current total dollar amount of these transactions?
- 3) How many women have independently sought reimbursement via CVS Health or via their insurance company (if their purchase has exceeded the 7 day correction period)? What is the current total dollar amount of these reimbursements?
- 4) What is CVS Health doing to proactively identify women that were charged an illegal co-pay for their prescriptions and assist them in receiving reimbursements?
- 5) What is your estimated timeline for when this drug price coding error will be fully corrected?

I know that CVS Health prides itself on being a company that seeks to provide top-notch health care and to improve the health of its customers. I appreciate your urgent attention to this matter, and look forward to working with you to make sure this drug coding error is resolved as soon as possible.

All the best,



Jackie Speier
Member of Congress