

November 12, 2024

The Honorable Chuck Schumer
Senate Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Mike Johnson
Speaker of the House
United States Capitol
Washington, D.C. 20515

The Honorable Mitch McConnell
Senate Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Hakeem Jeffries
House Minority Leader
United States Capitol
Washington, D.C. 20515

Dear Speaker Johnson, and Leaders Jeffries, Schumer, and McConnell,

We urge you to enact strong pharmacy benefit manager (PBM) transparency and accountability reforms this year. The undersigned groups strongly support PBM transparency and accountability reforms passed to date by the House and by several Senate Committees this Congress. When taken together, these measures complement and build upon important policy principles that can be found within all of them – **commonsense solutions** to reorient PBM practices driving better access to lower cost prescription drugs for millions of Americans.

Drug costs are a large part of America's health care affordability problem. Because of misaligned incentives under current law, the largest PBMs reportedly engage in business practices that drive up prescription drug costs, rather than lowering costs and passing the savings on to those feeling the pressure of rising costs. Three PBMs process more than 80 percent of prescription drug claims in the U.S., giving them immense market power, often making it very challenging for unions and employers to negotiate contract terms for affordably priced medications for workers and families. This skewed market dynamic drives higher drug costs with employers, patients, and taxpayers with real-life consequences for those relying on medications to treat their health condition.

To date, **seven committees of jurisdiction** across both chambers have voted overwhelmingly in favor of PBM transparency and reforms (in some instances voting unanimously or nearly unanimously to advance these policies). Now is the time to enact real and lasting change. **Congress must not squander the opportunity for real change impacting real lives and must enact these reforms this year.**

We strongly support **robust transparency and accountability for PBMs** reflected by provisions included in the three measures referenced above. These include **full PBM transparency** including transparency of PBM business arrangements and financial incentives.

These also include **banning spread pricing** and requiring **100% pass-through** to plan sponsors and patients of rebates, discounts, fees, and other payments from drug manufacturers. Additionally, we are supportive of policies to effectively de-link PBM profits from list prices for drugs, and to hold PBMs accountable in the same way plan sponsors are held accountable.

These changes are imperative to ensure a free market operates as intended, without steering plans and patients toward higher-priced medications and making health care unaffordable. We firmly believe that congressional action is necessary to correct the dysfunction present in the marketplace. Many of the groups signed below represent patients who are making tough decisions to afford their medication, are unable to get approval for the drugs prescribed by their doctor and may have to modify the use of their medication or skip doses because it is impossible to access their medications. Each day that passes without PBM reform is a day in which drug costs erode access to affordable health care.

The solutions we support have considerable bipartisan support in Congress. We implore you to enact this overdue legislative relief for the millions of Americans whom these reforms would positively impact.

AI Arthritis
Alabama Employer Health Consortium
Allergy and Asthma Network (AAN)
America's Agenda
American Association of Colleges of Pharmacy
American Benefits Council
American College of Clinical Pharmacy
American College of Gastroenterology
American College of Rheumatology
American Kidney Fund
American Liver Foundation
American Partnership for Eosinophilic Disorders
Arthritis Foundation
Association for Accessible Medicines
Asthma and Allergy Foundation of America
Autoimmune Association
Beta Cell Action
Biosimilars Council
Biosimilars Forum
Biotechnology Innovation Organization (BIO)
Blue Shield of California
Business Health Care Group
Cancer Support Community

Cardiomyopathy Association
Caregiver Action Network
Children with Diabetes
Chronic Disease Coalition
Citizen Action/Illinois
Color of Gastrointestinal Illnesses
Community Oncology Alliance
CT #insulin4all
Dallas-Fort Worth Business Group on Health
Direct Primary Care Coalition
Economic Alliance of Michigan
Employers' Advanced Cooperative on Healthcare
Employers' Forum of Indiana
Epilepsy Foundation of America
Florida Alliance for Healthcare Value
Floridians for Accountability in Healthcare, Inc.
Foundation for Sarcoidosis Research
Generation Patient
Georgia Association of Manufacturers
Get the Medications Right Institute (GTMRx Institute)
Global Liver Institute
GO2 for Lung Cancer
Greater Cincinnati Employers Group on Health
Greater Philadelphia Business Coalition on Health
Health Care Voices
HealthCareTN
HIV+Hepatitis Policy Institute
Hometown Pharmacy of Wisconsin
Houston Business Coalition
HR Policy Association
Hydrocephalus Association
Justify Rx
Kansas Business Group on Health
Labor Campaign for Single Payer
Lehigh Valley Business Coalition on Healthcare (LVBCH)
LUNgevity Foundation
Maryland Association of Chain Drug Stores
MedOne
MidAtlantic Business Group on Health
Midwest Business Group on Health
Miles for Migraines
National Alliance of Healthcare Purchaser Coalitions
National Association of Benefits and Insurance Professionals (NABIP)

National Association of Manufacturers
National Consumers League
National Multiple Sclerosis Society
National Organization of Rheumatology Office Managers (NORM)
National Patient Advocate Foundation
NETWORK Lobby for Catholic Social Justice
Nevada Business Group on Health
New Mexico Coalition for Healthcare Value
North Carolina Business Coalition on Health
Partnership for Employer-Sponsored Coverage (P4ESC)
Patients Rising
PBM Accountability Project
Peggy Lillis Foundation
Pharmacy Benefit Dimensions
PhRMA
Pittsburgh Business Group on Health
Policy Center for Maternal Mental Health
Prevent Blindness
Purchaser Business Group on Health
Rhode Island Business Group on Health
Rise Up WV
Rx Preferred Benefits
Salud y Farmacos
Savannah Business Group on Health
Self-Insurance Institute of America, Inc.
Silicon Valley Employers Forum
Sjögren's Foundation, Inc.
Small Business Majority
Society of Professional Benefit Administrators
Spondylitis Association of America
Texas Business Group on Health
Texas Food & Fuel Association
The AIDS Institute
The Alliance (Midwest)
The Coalition to Protect and Promote Association Health Plans
The Council of Insurance Agents and Brokers
The ERISA Industry Committee
The Headache and Migraine Policy Forum
The Leukemia & Lymphoma Society
The Oklahoma Business Collective on Health
Tourette Association of America
Transparency-Rx
Universities Allied for Essential Medicines (UAEM)

US PIRG
Warner Pacific
Washington Health Alliance