

The Honorable Doug Collins
1504 Longworth House Office Building
Washington, D.C. 20515

RE: Prescription Drug Price Transparency Act (HR 1316)

May 8, 2017

Congressman Collins:

The Alliance for Transparent and Affordable Prescriptions (ATAP) is a coalition of provider and patient groups who have joined together over our shared concern with the practices of pharmacy benefit managers. As patient and healthcare provider advocates, we are supportive of your legislation that begins to address this issue, the Prescription Drug Price Transparency Act.

Pharmacy benefit managers (PBMs) were initially created to fulfill the administrative function of administering prescription drug benefits. In addition, PBMS were intended to control costs through negotiating rebates and discounts with pharmaceutical manufacturers and controlling utilization by beneficiaries. Unfortunately, PBMs have morphed beyond those original functions into mega-entities that deny patients access to needed medication and often fail to pass on the negotiated savings.

The problem with PBMs in their current form is multifaceted: a lack of transparency, an overly concentrated market, and unchecked conflicts of interest. Your legislation takes an important first step in addressing some of the issues our patients experience at the pharmacy as a result of the lack of transparency in PBM operations, specifically, in how PBMs interact with pharmacies. Additionally, the bill protects beneficiaries' access to the pharmacies of their choice by prohibiting self-dealing requirements by PBMs to force beneficiaries into pharmacies the PBM itself owns.

As we have outlined, the problem with PBMs in their current form is multifaceted and, as such, will require several solutions. There is legislation in the other Chamber (S. 637) that addresses the current lack of transparency and pass-through with regard to rebates, and we are eager to work with you to advance similar legislation in the House as well.

In closing, we hope to work with you to advance HR 1316 and, to that end, please do not hesitate to reach out to any of the undersigned organizations if we can help in any way. Thank you again for your attention to this critical issue.

Sincerely,

American College of Rheumatology
Arthritis Foundation
Coalition of State Rheumatology Organizations
Global Healthy Living Foundation
Lupus and Allied Diseases Association
National Organization of Rheumatology Managers
Rheumatology Nurses Society