November 12, 2024

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

The Honorable Mitch McConnell Senate Minority 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 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