



July 25, 2023

The Honorable Ron Wyden
Chair
Senate Committee on Finance
221 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Senate Committee on Finance
239 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Wyden and Crapo,

On behalf of the National Consumers League (NCL) – America’s pioneering consumer advocacy organization – I would like to express our ongoing support for the committee’s efforts to hold pharmacy benefit managers (PBM) accountable for their role in driving up the cost of prescription drugs for millions of consumers.

Since our founding in 1899, one of our bedrock principles has been to ensure that consumers get a fair deal. When it comes to the high out-of-pocket costs that they face at the pharmacy counter — often for lifesaving medications — consumers are often put at an unfair disadvantage. While PBMs initially existed to help lower costs, these health insurance middlemen have evolved into self-serving profit centers that add little value along the supply chain, except to fill their own coffers.

The committee’s *Modernizing and Ensuring PBM Accountability Act* takes several important steps to rein in PBM’s abusive business practices and provide much-needed transparency and accountability. As we’ve learned over the past several months, PBMs are incentivized to favor medicines with higher list prices so that they can negotiate larger rebates and/or steer patients to medicines with higher price tags to increase their own profits.

Doing away with this arrangement and requiring PBMs to instead charge plan sponsors a flat dollar amount for the services they provide – rather than fees based on the manufacturer list price of a drug or other price-related benchmarks – would ensure plans, and ultimately consumers, directly benefit.

As the committee continues to work on finalizing the policies contained in this bill, it will be important to ensure that any savings that are achieved are passed along to consumers directly. We believe that this is key to consumers paying less out of pocket for their medications. We understand there continues to be interest in such policies and encourage the committee and its members to consider this provision in any final legislative language.

Thank you for your ongoing leadership on this important issue. We look forward to working together to help lower out-of-pocket prescription drug costs for consumers across the country.

Sincerely,

Robin Strongin, Health Policy Director
National Consumers League