

The Honorable Mike Crapo
Chair, Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member, Committee on Finance
United States Senate
Washington, DC 20510

CC: Members of the Senate Committee on Finance

Dear Chairman Crapo and Ranking Member Wyden,

There is a universal desire in our nation to increase the affordability of health care for American patients. On behalf of the diverse membership of the PBM Accountability Project, I applaud your commitment to addressing these affordability concerns. I urge you and your fellow Senate Finance Committee members to finalize the work which began in 2024 to reform pharmacy benefit managers (PBMs) and advance legislation to end their profiteering and anti-consumer practices. Passing legislation to meaningfully reform PBMs would reduce prescription drug costs for millions of taxpayers, American employers and government programs.

In the 118th Congress, your committee voted to advance legislation that would break the linkage between PBM revenues and drug prices and eliminate the practice of spread pricing, by which PBMs charge substantially more for a drug than they reimburse the pharmacies that dispense it, within Medicare Part D. These measures, which passed the committee by an overwhelming vote of 25-1, would restore accountability to an industry dominated by a handful of vertically integrated insurance companies that have significantly boosted their own revenues at the expense of working taxpayers, employers and government programs.

As you know, these measures came very close last year to being sent to the President's desk for his signature but were not ultimately included in the end-of-year consolidated appropriations package due to unrelated political considerations. Now is the time to finish this work. PBM reform has strong bipartisan support and is proven to be a health care cost-saver. It would be a mistake to allow this important work to be slowed down or obstructed by partisan disagreements. PBM reform can and should be enacted now.

The call for these reforms is widespread. [Consumer advocates](#), [employers](#), [organized labor](#), [pharmacists](#), [physicians](#), and [lawmakers from both parties](#) have all emphasized the importance of PBM reform to bring greater affordability to our health care system and rein in these middlemen. PBMs have already created a new level of health insurance bureaucracy known as group purchasing organizations (GPOs), which are based overseas. If left unchecked, these middlemen will continue to find new ways to strengthen their control of the prescription drug cost system and stymie oversight.

Your committee and others in both chamber of Congress, as well as the Federal Trade Commission, have exhaustively documented how PBMs game the system to steer patients toward higher-priced drugs that generate greater profits, block access to less expensive generics

and biosimilars, force independent community pharmacies out of business, and disrupt doctor-patient decision-making. Congress should not allow these corporate middleman profiteering practices to continue.

As Congress continues to debate the value and direction of our current health insurance system, one thing is already clear: reforms are needed. Less than a year ago, your committee came together to support bipartisan, common-sense, cost-saving policies to address PBM practices. Those policies would deliver savings to Americans at the pharmacy counter and address the rising health care costs faced by employers. Those policies made it all the way to the finish line but fell just short of passage. As the search for achievable savings continues today, enacting these PBM reform policies into law remains the most practical first step on which Members can agree.

Sincerely,

A handwritten signature in dark ink, appearing to read "Mark", written in a cursive, flowing style.

Mark Blum
Managing Director, PBM Accountability Project