

February 26, 2025

The Honorable Buddy Carter
Chairman, House Energy & Commerce
Subcommittee on Health
U.S. House of Representatives
Washington, D.C. 20510

The Honorable Diana DeGette
Ranking Member, House Energy & Commerce
Subcommittee on Health
U.S. House of Representatives
Washington, D.C. 20510

Dear Chairman Carter, Ranking Member DeGette and members of the subcommittee:

We, the undersigned organizations, wish to commend you for immediately addressing in the 119th Congress one of the country's most important health policy imperatives – bringing an end to the anti-competitive, anti-consumer and anti-patient practices of pharmacy benefit managers (PBMs). It is our hope that your subcommittee's hearing on PBM reform on Feb. 26 will be the start of an expedited process that will end with Congress passing—and President Trump signing—legislation that will fix our broken prescription drug pricing system and make medicines more affordable and accessible for the American people.

As your subcommittee demonstrated by reaching an agreement on this issue in the last Congress, PBM reform is a thoroughly bipartisan objective. What's more, there is overwhelming public support from patients, consumers, pharmacists, physicians, employers and rural Americans, among others, for substantive action to address the PBM manipulations that have millions of people paying more than they should for the prescription drugs they need.

As the Federal Trade Commission detailed in [July 2024](#) and [January 2025](#), the PBM industry—with the four largest PBMs controlling over 80% of the prescription drug marketplace—has constructed a system that enables PBMs to enrich themselves at the expense of consumers, employers, retail pharmacies and taxpayers. These middlemen demand large rebates from drug manufacturers in exchange for preferential placement on formularies and then steer patients toward those more expensive medicines while restricting access to more affordable generics and biosimilars. Further, the January 2025 report documents how PBMs are forcing patients to use PBMs' affiliated pharmacies and then marking up the prices of drugs sold in those pharmacies, sometimes by thousands of percent over their original acquisition costs. As has been discussed openly, this practice is occurring while the same PBMs put American community retail pharmacies out of business.

The end result is that patients pay higher out-of-pocket costs, which are based on the drug's original list price rather than the discounted price the PBMs negotiate for themselves.

This unacceptable situation will continue and will, in fact, worsen as the [Fortune 20 corporations](#) that own the PBMs continue to use their enormous profits to engage in vertical integration throughout the healthcare system. Legislation to rein in their abuse and bring relief to the American people is needed now.

Several Senate and House committees moved forward with multiple bills in the last Congress, all aimed at addressing the anti-competitive and anti-consumer practices of PBMs. Reform legislation developed by this subcommittee must contain critical elements that will provide relief to patients

and families at their local pharmacies, employers dealing with rising healthcare costs, and taxpayers who are currently overpaying for government-provided benefit programs.

This includes several reforms that leadership from both parties prioritized in the 2024 end-of-year funding package, including delinking the price of medicines from PBM revenues, rebate pass-through, fair pharmacy contract terms in Medicare Part D and NADAC-based reimbursements in Medicaid managed care. These measures are essential to lowering drug costs and improving access for patients, and must be prioritized in the final package.

As you know so well, PBM reform legislation came so very close to being included in the American Relief Act that Congress adopted last December. Given the bipartisan support that exists on this issue—and the groundwork that has already been done by your subcommittee and others—there is no reason to delay action. We strongly encourage you to advance legislation that will shift power from the PBMs back to the American people and improve both the health and the finances of your constituents.

The organizations signing this letter thank you for your leadership on this matter and stand ready to support your efforts to achieve more affordable prescription medications.

Sincerely,

Acromegaly Community

Advocates For Responsible Care

Alzheimer's San Diego

America's Agenda

Apothecary Shoppe

Applied Pharmacy Solutions

Arizona Bleeding Disorders

Arizona Chronic Care Together

Arizona Myeloma Network

Arizona Prostate Cancer Coalition

Ark Insurance Solutions, LLC

Axis Advocates

Bag It Cancer AZ

Biomarker Collaborative

BioUtah

Bleeding Disorders of the Heartland

Blue Shield of California
Brain Injury Association of NE
Cancer Community Clubhouse
Cancer Support Community of Arizona
Caring Ambassadors Program
Centro Civico Mexicano
Coalition of State Rheumatology Organizations
Coalition of Texans with Disabilities
Coborn's, Inc.
Combined Health Agencies Drive
Community Health Action Network
Community Liver Alliance
Epilepsy Foundation of San Diego County
Exon 20 Group
Familia Unida Living with MS
FMI-The Food Industry Association
Gaucher Community Alliance
HIV+Hepatitis Policy Institute
ICAN, International Cancer Advocacy Network
IMPACT Melanoma
Infusion Access Foundation
International Bipolar Foundation
Let's Kick ASS Palm Springs (AIDS Survivor Syndrome)
Liver Coalition of San Diego
Liver Health Foundation
Lupus and Allied Diseases Association, Inc.
Lupus Foundation New England
Lupus Foundation of Southern Arizona
Lupus Foundation of Southern California

Massachusetts Independent Pharmacists Association

Massachusetts Pharmacists Association

MET Crusaders

Mexican American Opportunity Foundation

NAMI South Carolina

National Association of Chain Drug Stores

National Association of Social Workers - Texas Chapter

National Community Pharmacists Association

National Consumers League

National Grange

National Infusion Center Association

Nebraska Kidney Association

Nebraska Pharmacists Association

Nebraska Rural Health Association

Neuropathy Action Foundation

Nevada Cancer Coalition

Nevada Chronic Care Collaborative

Nevada Pharmacy Alliance

New England Venture Capital Association

ONEgeneration

Palmetto Health Collective

Partners in Care Foundation

Partnership to Fight Chronic Disease

PBM Accountability Project

PD-L1 Amplifieds

Rare and Undiagnosed Network

Rare New England

Redmoon Project

Rio Grande Valley Diabetes Association

Ruby A. Neeson Diabetes Awareness Foundation

Rx in Reach GA Coalition

Sierra Compounding Pharmacy

Society of Utah Medical Oncologists

South Carolina Advocates for Epilepsy

Tennessee Association of Adult Day Services

Texas Healthcare & Bioscience Institute

Texas Renal Coalition

The Strilite Foundation, Inc.

Utah Academy of Family Physicians

Utah Hemophilia Foundation