

July 30, 2025

The Honorable Bill Cassidy  
Chairman, Senate Committee on Health, Education, Labor and Pensions  
United States Senate  
Washington, DC 20510

The Honorable Bernie Sanders  
Ranking Member, Senate Committee on Health, Education, Labor and Pensions  
United States Senate  
Washington, DC 20510

Dear Chairman Cassidy, Ranking Member Sanders and Members of the Committee:

The leaders and stakeholders across healthcare, business, labor, pharmacy, and consumer and patient advocacy that comprise the PBM Accountability Project commend you for conducting a public hearing devoted to making healthcare more affordable for the American people. We believe there are immediate steps the committee can recommend, and Congress can – and should – take that would immediately lower costs for patients.

The nation's prescription drug pricing system is badly broken, and it is hurting consumers, employers and taxpayers. Today, corporate middlemen – entities that neither develop and manufacture medicine nor provide care to patients – are collecting roughly 50 cents of every prescription drug dollar and manipulating the system to optimize their own profits while undermining medication access and affordability.

Your constituents are feeling the effects of this perverse drug pricing infrastructure every day. This comes in many forms, including unnecessarily high out-of-pocket costs they are facing, the denial of access to certain medications even if their physician deems them necessary and the closure of independent pharmacies that are vital healthcare resources in their communities.

It is time to bring much-needed, common-sense reforms to a system that has been controlled for too long by a small handful of pharmacy benefit managers (PBMs). These corporations establish what consumers pay for the medicines they need, use their formulary powers to determine access to prescription drugs and collect exorbitant fees from the health plan clients while underpaying the pharmacies that they don't own or with which they are not affiliated.

Multiple Senate and House committees have advanced bipartisan measures that would rein in the predatory practices of these middlemen and demand that they remove their shrouds of secrecy and act in a transparent, accountable manner. We believe it is time to move these proposals across the finish line and start bringing relief to the American people.

There is consensus around a number of essential reforms, including:

- De-linking PBM revenues from drug prices to remove the destructive incentives for PBMs to steer patients toward higher-priced drugs that yield the greatest profits. Limiting PBM compensation to only a flat, fair market-based fee for their services would do more than any other action to ensure that patients can get both the most affordable drug as well as the most effective, physician-recommended drug for their conditions.
- Ending PBMs' damaging practice of "spread pricing" to charge their health plan clients, whether public or private, far more for prescription drugs than they pay the pharmacies that dispense them. Too many of our community pharmacies are closing their doors because PBMs reimburse them less for the drugs they dispense than the pharmacies pay to acquire them.
- Mandating a long-overdue level of transparency so that employers and patients alike can see how drug costs are established and formularies are determined.

Legislation introduced in the House, The PBM Reform Act (H.R. 4317), by U.S. Rep. Buddy Carter (R-GA) and a bipartisan list of cosponsors would achieve these objectives. We encourage lawmakers of both parties and both houses of Congress to advance this legislation expeditiously. Doing it would be an essential step in putting patients, not greedy corporations rigging the system for their own gain, at the center of our healthcare system.

Again, we commend you for conducting this hearing and for devoting your leadership to making our healthcare system more affordable for the American people. We look forward to working with you toward these shared goals.

Sincerely,



Mark Blum  
Managing Director, PBM Accountability Project