

February 2, 2024

Representative James Comer
Chair, Committee on Oversight and
Accountability
2410 Rayburn House Office Building
Washington, DC 20515

Representative Jamie Raskin
Ranking Member, Committee on Oversight
and Accountability
2242 Rayburn House Office Building
Washington, DC 20515

CC: Members of the Committee on Oversight and Accountability

Re: H.R. 6283, the Delinking Revenue from Unfair Gouging (DRUG) Act

Dear Chairman Comer and Ranking Member Raskin:

Thank you for your ongoing leadership to advance meaningful pharmacy benefit manager (PBM) reform that helps all Americans. Numerous bills in this session of Congress in both House and Senate committees can reform various aspects of the nation's broken prescription drug pricing system. No bill will have a more significant impact for patients, consumers, employers and taxpayers than H.R. 6283, the Delinking Revenue from Unfair Gouging (DRUG) Act. It will bring an end to the anti-competitive, anti-consumer practices of pharmacy benefit managers (PBMs) and make medicines more affordable for millions of Americans. We look forward to the House Oversight and Accountability Committee advancing this vital legislation.

We are writing on behalf of the leaders and stakeholders across healthcare, labor, business, pharmacy and consumer patient advocacy who comprise the PBM Accountability Project. We advocate for solutions that will ensure patients and health plans in the commercial and public sectors pay no more than absolutely necessary for prescription medicines.

The DRUG Act goes to the heart of what is wrong with our drug pricing system. PBMs were initially created to use their buying power to negotiate lower prices for health plans, employers and consumers. Today, the opposite is happening. The large corporations that control 80% of all drug prescribing in the United States have created a system that steers patients toward higher priced drugs and obstructs access to cheaper alternatives. PBMs gain a large share of their revenues from taking a percentage of the rebates they negotiate with drug manufacturers. Thus, the higher the drug's price, the higher the PBM's profits. And because PBMs control formularies, they have the power to direct patients to the medicines that benefit them – the PBMs, not the patients – the most.

The DRUG Act would put an end to this self-dealing system by allowing PBMs to only charge a fair and flat fee for their services and break the linkage between PBM revenues and the price of a drug. This will bring sanity back to the marketplace and bring real savings to patients at the pharmacy counter.

Additionally, H.R. 6283 will:

- Ban the PBM practice of “spread pricing” which occurs when PBMs charge insurers significantly more for a drug than they pay the pharmacy for dispensing it;
- Prohibit PBMs from paying their own affiliated pharmacies more than independent community pharmacies for the same services; and
- Block PBMs from steering patients to their affiliated pharmacies when other pharmacies may be more convenient.

This Congress has made it a priority to make prescription drugs more affordable. No legislation will have a more direct or immediate impact in achieving that objective than the DRUG Act. We stand ready to assist the committee as it works to bring relief to the Americans who should not be gouged by the PBMs when they fill a prescription.



Mark Blum
Managing Director, PBM Accountability Project