

Dear Chairmen Comer, Ranking Member Raskin, and members of the House Committee on Oversight and Accountability:

On behalf of the National Active and Retired Federal Employees Association (NARFE), I write in support of H.R. 6283, the Delinking Revenue from Unfair Gouging Act (DRUG Act) and urge the committee to support the bill.

In NARFE's view, the bill's provisions should result in lower costs for Federal Employees Health Benefit (FEHB) plan participants by lowering average health insurance costs, which are reflected in premiums, and by lowering out-of-pocket drug expenses. Lower costs would also save the federal government via its contributions to plan premiums.

In our view, by requiring pharmacy benefit managers (PBM) to receive payment via a flat fee for their services (administering prescription drug benefit programs for health insurance plans), and by preventing PBMs from charging health insurers more than what they paid for a medicine, the bill would prohibit a business model based on misaligned incentives and conflicts of interest. By eliminating preferences for affiliated pharmacies, the bill would prevent PBMs from restricting or penalizing patient choice based on PBM profits.

For these reasons, NARFE endorses the legislation and supports the committee's efforts to help advance the bill to the House floor.

Thank you for your consideration of our views. If you have any questions or concerns about this request, please contact NARFE Staff Vice President for Policy and Programs John Hatton at [jhatton@narfe.org](mailto:jhatton@narfe.org) or 571-483-1267.

Sincerely,

William Shackelford

NARFE National President