

Chairman Brett Guthrie

Subcommittee on Health Hearing

Opening Statement as Prepared for Delivery

February 26, 2026

- Thank you to our witnesses for being here with us today for the subcommittee's second hearing of the 119th Congress.
- Today's hearing is a continuation of our fight to lower health care costs for everyday Americans, and especially for our seniors.
- Last Congress, the Committee on Energy and Commerce worked to hold Pharmacy Benefit Managers (PBMs) accountable by shining a light on their opaque business practices and passing legislation to cut unnecessary spending on prescription medications in Medicare and Medicaid.
- As Chairman of the full Committee, I have heard from many members of this Committee loud and clear, and I can tell you it is a priority of mine to ensure these common-sense and bipartisan policies become law.

- Today, over 80 percent of prescription drug benefits are managed by just a few vertically integrated PBMs. As a result, patients have fewer choices in where they fill their prescriptions and oftentimes have less access to affordable prescription medications.
- I remain concerned by PBMs using their market power to put independent pharmacies in a chokehold and restrict patients' access to pharmacies.
- It is patients who are ultimately hurt the most. Routine flu shots, over-the-counter medications, and filled prescriptions have become costlier and less accessible.
- While some argue the role of PBMs is to leverage their market power to lower costs for patients, I am concerned our current system may have lost sight of the patients.
- For example, the Government Accountability Office recently studied how the current system of rebate negotiation is working for Medicare beneficiaries. They characterized the problem by stating that rebates "do not lower beneficiary payments" and that "higher cost drugs generally result in higher beneficiary payments."

- In GAO’s analysis of the top 100 most highly rebated drugs in Medicare, for 79 of these drugs, seniors ultimately paid substantially more than their Part D plans paid for the drugs.
- *That is unacceptable.*
- Some manufacturers are even developing lower cost generic alternatives to branded medications and launching them at two different prices in order to succeed in landing on a drug formulary. In most cases, the higher cost, highly rebated versions of these “cheaper” generic drugs have only been covered by PBMs, illustrating how the broken and opaque PBM business practices are hurting patients across the country.
- These are just some of the reasons that drove our committee and our other House and Senate colleagues to work together on bipartisan and bicameral solutions to increase transparency for beneficiaries and employers, to stop some pharmacies from being paid more than others in Medicaid, and to ensure PBMs are putting Medicare patients first.

- Today, I hope we're able to come together again and focus on our bipartisan solutions to rein in spending at the pharmacy counter for Americans and their families.
- Because for the hard-working Americans who have been crushed by inflation over the past four years and who rely on everyday prescription medications to maintain their quality of life, these are issues that deserve our full attention.
- I would like to thank my committee colleagues, especially Health Subcommittee Chairman Carter, for their steadfast leadership and commitment to addressing the high cost of prescription medications. I look forward to continuing our work this Congress.
- I yield back.