



September 23, 2025

The Honorable John Thune
United States Senate
Washington, D.C. 20510

The Honorable Mike Johnson
U.S. House of Representatives
Washington, D.C. 20515

AMERICAN COMMITMENT

The Honorable Chuck Schumer
United States Senate
Washington, D.C. 20510

The Honorable Hakeem Jeffries
U.S. House of Representatives
Washington, D.C. 20515



Dear Speaker Johnson, Majority Leader Thune, Leader Jeffries, and Leader Schumer:



The undersigned organizations, comprised of conservative and free enterprise grassroots and public policy organizations, strongly support the bipartisan PBM transparency and accountability reforms that passed through the Senate Finance Committee in 2024 – the Modernizing and Ensuring PBM Accountability (MEPA) Act (S. 2973) and the Mental Health, Lower-Cost Drug and Extenders Package (S. 3430). The policy behind these bills will help ensure that patients realize cost savings on their prescription drugs. We urge you to pass the reforms that were contained in last year's S. 2973 and S. 3430 this year.



PBM policies directly impact whether patients can access and afford their medicines. Common sense reforms are needed to ensure that PBMs are not able to set the price of prescription drugs, dictate decisions made between doctors and patients, and steer patients to their preferred pharmacies.



In addition, PBM reform inside government programs, which is what these bills focus on, will result in lower spending and cost savings for taxpayers. They are a down payment on critical spending cuts and regulatory reforms. These common sense PBM reforms will make government entitlement programs smaller, something Congress has already started to do in the One Big Beautiful Bill. The time to cut spending is not over.



Currently, PBMs are inflating their profits by preferencing more expensive medicines when designing formularies. By setting favorable prices and cost-sharing amounts, PBMs influence the amount that patients pay out of pocket and which medicines they can access through their insurance. If a drug isn't on the formulary, insurers won't cover it and often doctors won't prescribe it—regardless of the patient's medical needs.



Today, the three largest PBMs, CVS Caremark, Express Scripts, and OptumRx, now comprise about 80 percent of the entire PBM market and administer drug benefits for over 270 million Americans.¹ The trend of vertical integration and



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¹Drug Channels. "The Top Pharmacy Benefit Managers of 2022: Market Share and Trends for the Biggest Companies," May 23, www.drugchannels.net/2023/05/the-top-pharmacy-benefit-managers-of.html

consolidation in the PBM industry is warping the drug market in drastic ways. PBMs are not only undermining patients, but they are also exerting influence over many small, independent pharmacies that play a crucial role in America's local communities. Lawmakers that claim to support local communities, small business and free markets can no longer ignore this issue.



Kevin Duane, pharmacist and owner of Panama Pharmacy in Jacksonville, Florida described the situation as follows to the House Committee on Oversight and Accountability: “Patients and their doctors have virtually no say in what drugs are used, since the PBM essentially forces which drugs can be used – not because a drug is better or worse, but because the PBM can make more money from it.”²



The *Modernizing and Ensuring PBM Accountability Act* (S. 2973, 118th Congress) would help to address this issue by resetting the money-making incentives to benefit patients by delinking PBM fees from the price of medicine. Breaking the link between the price of medicines and the fees PBMs charge will help to fix incentives in the system that drive up costs and improve patients' access to affordable medicines.

The *Mental Health, Lower Cost Drugs and Extenders Package* (S. 3430, 118th Congress) would also help address PBM profit making schemes. In the current landscape, PBMs are empowered to pocket discounts that are already provided by drugmakers alongside their products. This bill would ensure that the negotiated savings are passed on to patients at the pharmacy counter and help lower patient out-of-pocket costs.

Taken together, these efforts are common sense solutions that ensure PBM business practices drive lower costs and improve access to care for millions of Americans. It is time for Congress to act decisively and pass reforms that allow for greater competition in the pharmaceutical supply chain. To that end, we urge you to pass the policy from the 118th Congress' S. 2973 and S. 3430 this year.

Respectfully,



² U.S. House of Representatives Committee on Oversight and Accountability. The role of pharmacy benefit managers in prescription drug markets. Accessed November 11, 2024. <https://oversight.house.gov/wp-content/uploads/2024/07/PBM-Report-FINAL-with-Redactions.pdf>



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