



# On the Record: Stakeholders on How PBMs Deliver for Patients, Employers & Taxpayers

Key stakeholders from across the country weighed in with the Federal Trade Commission (FTC) to highlight the important role PBMs play in the prescription drug supply chain to help keep drug costs affordable. Their message to the FTC is clear: **restricting PBM tools will only push health care costs even higher** for millions of Americans at a time of **continued manufacturer drug price increases and rising inflation**.

## U.S. Chamber of Commerce

“The Chamber reminds the FTC that the agency has repeatedly cautioned against regulatory approaches that offer superficial appeal but that ultimately would harm consumers...Given the complexity of health care markets, any hasty or haphazard effort to regulate PBMs likely would have the unintended consequences of limiting competition, harming consumers, and raising prices...The FTC’s chief concern must be the protection of consumers and the competitive process, rather than particular entities in the supply chain.”

## Citizens Against Government Waste

“The FTC has previously and repeatedly determined that PBMs benefit consumer welfare and that restrictions on PBMs would be anticompetitive and raise prices. Other government and private sector studies have drawn similar conclusions...The FTC should not engage in more government control of the healthcare industry by turning a request for information into heavy-handed regulation of PBMs to the detriment of employers and patients.”

## Alex Brill, Senior Fellow, American Enterprise Institute

“[PBM] rebates end up having a threefold benefit to the healthcare system: they lower health insurance premiums for beneficiaries, they drive price competition among drug manufacturers, and they help facilitate PBMs’ clinical tools...Claims that PBM rebates are a cause of increasing drug prices seem to be unfounded.”

## Michigan Association of Health Plans

“PBMs work with major drug companies to secure lower prescription drug prices for patients. In fact, PBMs are the single biggest driver of lowering drug prices - saving patients between 40 and 50% on prescription drugs and related costs compared to what they would pay without PBMs. Further efforts should be evaluated and taken by regulatory agencies like the FTC to support the role of PBMs, not limit their abilities to negotiate lower drug prices.”

## Public Sector Healthcare Roundtable

“PBMs provide public sector retirees with necessary services to lower costs and navigate the complex world of prescription drug pricing, including providing our members with robust formularies of prescription drugs to meet their retirees’ needs...The FTC must also examine the likely anticompetitive practices of large prescription drug manufacturers and consider how best to address the original list price they set.”

## West Health Policy Center

“Given the monopoly and oligopoly composition of the market for branded pharmaceuticals, we believe PBMs play a critical role in reducing net drug spending across all payers...We encourage the FTC to remain cognizant of the possibility that, given the unique nature of the pharmaceutical market, reduced PBM market concentration may result in higher total drug spending.”