



August 19, 2024

The Honorable JD Vance  
448 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Vance:

It is the sincere hope of Ohio healthcare advocates that Congress will prioritize and soon complete efforts to enact necessary reforms of pharmacy benefit managers' (PBM) opaque business practices.

There have been notable advancements made on some key pieces of PBM reform legislation. This includes unanimous Senate Finance Committee support for the Mental Health Lower-Cost Drugs and Extenders Act (S. 3430). We want to encourage our Ohio Congressional delegation to accelerate the momentum for other meaningful PBM reform bills including:

- S. 1542, (Drug Act),
- HR 2880 (Protecting Patients Against PBM Abuses Act),
- HR 5376 (Share the Savings with Seniors Act), and
- HR 6283 (Drug Act).

The above pieces of legislation contain meaningful and positive steps forward that a bipartisan group of Members of Congress are already comfortable taking to reform the exploitive PBM industry. Elements in these proposals include policies that will separate excessive PBM profits from the cost of medications and ensure inherent cost savings in the drug supply chain are passed through to patients. These policies are essential to ensuring patients see savings at the pharmaceutical counter.

It's worth noting the Federal Trade Commission's recent release of an [interim report](#) on the findings of its [two-year investigation](#) of PBMs and the outsized impact these middlemen have on what patients pay for prescription drugs. In case you missed it, here are some major points from the report:

- “Concentration and vertical integration” – Three PBMs control nearly 80% of all prescriptions – six PBMs control more than 90% of the market – and are integrated with the largest insurance companies and specialty and retail pharmacies.
- “Power and influence” – Middlemen determine what people pay for medicines and what treatments they can get and “without transparency or accountability to the public.”
- “Self-preferencing” – PBMs have a financial incentive to steer patients to their own affiliated pharmacies, creating conflicts of interest that harm independent pharmacies and increase prescription drug costs.

The FTC report follows separate investigations by the [New York Times](#) and [Wall Street Journal](#) that expose how PBMs game the health care system and inflate the cost of lifesaving treatments. It reaffirms why a strong majority of Americans support strong PBM reform. [Recent government audits](#) and [lawsuits](#) demonstrate that even when PBMs claim they are passing savings on to their clients, this is not reality.

It's clear to us and Ohioans across the state, the time for PBM reform is now. We appreciate the hard work of so many in Congress to bring down the cost of prescription drugs for Americans and hope that the Ohio delegation will play their part in protecting and advocating for patients across our great state. It's time to prioritize patients over the profit margins of middlemen once and for all.

Sincerely,

***Academy of Medicine of Cleveland and Northern Ohio; Easter Seals of Central and SE Ohio; Equitas; Healthcare Leaders Association of Ohio; HIV+HEP; Mental Health America of Ohio; National Alliance on Mental Illness Ohio; Ohio Foot & Ankle Medical Association; Ohio Hematology Oncology Society; Ohio Manufacturers' Association; Ohio Osteopathic Association; Ohio Sickle Cell and Health Association***