



February 16, 2023

The Honorable Maria Cantwell
Senator of Washington
511 Hart Senate Office Building
Washington, DC 20510

The Honorable Chuck Grassley
Senator of Iowa
135 Hart Senate Office Building
Washington, DC 20510

Dear Senators Cantwell and Grassley,

On behalf of the over 2.2 million members of the Association of Mature American Citizens - AMAC, I write in support of S. 127, The Pharmacy Benefit Manager Transparency Act 2023. This bipartisan legislation will help drive down consumer costs for seniors by holding pharmacy benefit managers (PBM) accountable for the use of anti-competitive business practices.

As an organization representing mature Americans, we are concerned with the PBM issue as it pertains to our members, many of whom are negatively affected by the increasing costs of prescription drugs. An overwhelming majority of seniors report that they are currently taking prescription medication. A recent Kaiser Family Foundation poll found that 75 percent of Americans aged 50-64 and nearly 90 percent of respondents over 65 report taking prescription medications.

Pharmacy benefit managers were created to manage drug benefits for insurance plans and lower consumer costs, but over the years, these middlemen have expanded beyond their original purpose. AMAC has been very vocal on behalf of our members about the layers of anti-competitive business practices used by PBMs, including reducing market competition for drugs, using spread pricing to increase profits without lowering costs, using clawbacks to hurt independent pharmacies, and shifting patients to costlier drugs. None of these practices are in the best interest of the patient.

The Pharmacy Benefit Manager Transparency Act 2023 would prevent anti-competitive practices and require PBMs to be more transparent. The purpose of this legislation is to hold PBMs accountable to the rule of law if they continue these business practices in bad faith. We hope that as the bill makes its way through the Senate Commerce Committee to see the language is modified to ensure that vertically integrated PBMs do not take advantage of the exceptions clause to increase rebates and continue to use anti-competitive business practices.

AMAC is committed to ensuring senior citizens' interests are protected and thanks you, Senators Cantwell and Grassley, for introducing this critical and timely bipartisan bill.

Sincerely,

A handwritten signature in black ink that reads "Bob Carlstrom".

Bob Carlstrom
President
AMAC Action