

May 24, 2022

The Honorable Maria Cantwell
Chair, U.S. Senate Committee on Commerce, Science, and Transportation
511 Hart Senate Office Building
Washington, DC 20510

The Honorable Chuck Grassley
United States Senate
135 Hart Senate Office Building
Washington, DC 20510

Dear Chair Cantwell and Senator Grassley:

The National Community Pharmacists Association is writing today in support of the *Pharmacy Benefit Manager Transparency Act of 2022*, which would provide the Federal Trade Commission with greater enforcement authority to prohibit unfair or deceptive business practices in which pharmacy benefit manager-insurers engage in the commercial health insurance market.

NCPA represents America's community pharmacists, including 19,400 independent community pharmacies. Almost half of all community pharmacies provide long-term care (LTC) services and play a critical role in ensuring patients have immediate access to medications in both community and LTC settings. Together, our members represent a \$67 billion health care marketplace, employ 215,000 individuals, and provide an expanding set of health care services to millions of patients every day. Our members are small business owners who are among America's most accessible health care providers.

Our pharmacies and the patients they serve have long had concerns about PBM-insurers, their anticompetitive practices, and the role they play in ever-increasing drug costs. These concerns have been further exacerbated because of the COVID-19 pandemic's impact on small businesses. Independently owned pharmacies have served as lifelines as essential businesses during the pandemic, but PBM-insurer practices are causing these small businesses to struggle to remain viable and open to provide continued access and care. We appreciate the longstanding efforts of Chair Cantwell and Senator Grassley to address these practices and the negative impact they have on patients and small business independent pharmacies.

NCPA applauds the recent efforts of the Commerce Committee's Subcommittee on Consumer Protection, Product Safety, and Data Security to shine a light on PBM-insurers as middlemen in the drug supply chain and to ensure fairness and transparency in the market. We are proud to work with the sponsors of this legislation to bring needed transparency to and ultimately stop PBM-insurers' unjust and deceptive practices. For years, NCPA has highlighted the problems posed by increasing consolidation in the health care industry, specifically that three PBM-insurers now control at least 80 percent of the market. Advancing this legislation will empower the FTC to bring enforcement actions against the consolidated PBM-insurer industry and their anticompetitive practices, including spread pricing and clawbacks.

NCPA strongly supports passage of the *Pharmacy Benefit Manager Transparency Act of 2022* and urges the Senate Commerce Committee and its members to quickly advance the legislation. NCPA thanks Chair Cantwell and Senator Grassley for your leadership in addressing this issue, and we look forward to working with you to get this legislation across the finish line this Congress.

Sincerely,



Karry K. La Violette
Senior Vice President of Government Affairs & Director of the Advocacy Center
National Community Pharmacists Association