

April 07, 2022

The Honorable Ron Wyden
United States Senate
Washington, D.C. 20510

PBM REFORM IS CRITICAL TO ALL OREGONIANS

Dear Senator Wyden,

On behalf of tens of thousands of patients, pharmacists, business owners, unions, and taxpayers across Oregon, we are writing to you urge near-term action on pharmacy benefit managers (PBMs), middlemen companies that are making billions of dollars in profit while Oregonians pay more at the pharmacy counter. Unfortunately, as the FTC failed to reach consensus on launching a study into PBM practices, it's now up to Congress to help identify meaningful solutions to help lower costs now. And it's clear that the most effective way to do so is through practical PBM reform that you have led on for many years.

Without question, PBMs pose a significant, multi-faceted and fast-evolving problem. We greatly appreciate your efforts to highlight the harmful role of PBMs and believe that there's an immediate need to pass through rebates and other fees to plan sponsors and patients in Medicare.

As you know, Oregonians of all ages are often subjected to high out-of-pocket costs for medicines – this directly impacts our households, communities, and way of life across the state. Unfortunately, the COVID-19 pandemic has only made it harder to get access to the care that families and communities need, and many patients have either delayed treatment or avoided it altogether.

This is particularly urgent for patients who are battling life-threatening diseases and cannot forego medication. For example, as your Senate Finance Committee report found, discounts doled out to PBMs for Insulin are not making their way to patients as intended. For example, [data shows](#) that the net price of one insulin product has increased by 53 percent since 2012, while the list price increased by 141 percent in that same period. PBM savings should be going to patients who need life-saving treatments, not the PBM's pockets as they are now.

While patients are subjected to higher costs for PBMs' financial benefit, local pharmacies have also been under attack by these well-financed middlemen. Bi-Mart recently closed fifty-six pharmacies across the Northwest – including thirty-seven in Oregon – as a direct result of DIR fees imposed by PBMs. The CMS report to Congress last year found that PBMs increased pharmacy DIR fee usage under Medicare Part D by 91,500 percent from 2010 to 2019. The total of these fees has consequently ballooned to [\\$11.2 billion in 2020](#), making it impossible for pharmacies across the country to maintain healthy finances. As you have noted, 2,200 pharmacies across the country closed in just three years.

Equally concerning is the PBMs' relentless efforts to avoid transparency. In 2020, PBMs netted more than \$450 billion in profits, which is up from less than \$300 billion eight years ago. To maximize their earnings, PBMs fight transparency at every turn and repeatedly oppose legislation that would disclose their rebate payments and lower out-of-pocket costs.

We stand at the ready to help support any efforts that would create greater transparency with PBMs and, above all, ensure that patients are paying less for their lifesaving medications – right now, this year.

Respectfully,

Oregon State Pharmacy Association
Caring Ambassadors of Oregon
Chronic Disease Coalition
Oregon Bioscience Association
Cascade Aids Project, CAP
Brain Injury Alliance of Oregon
Oregon Rheumatology Alliance
ICAN, International Cancer Advocacy Network.
The Exon 20 Group
Parkinson's Resources of Oregon

