

# STOP PBM MANIPULATION

## THE DEFINITION:

You may have heard of 'PBMs' – best described as **pharmaceutical benefit MANIPULATORS**. They are hired by health insurance plans and others to negotiate lower drug prices. Problem is, the **MANIPULATORS** and the plans pocket billions while forcing patients and others to pay more for their medicines, limiting patients' ability to choose their pharmacist, and restricting access to the medicines right for them.

## THE PROBLEM:

- × **PBMs do not manage, they MANIPULATE drug prices, patient choice of pharmacy, and medication.** PBMs manipulate patients' relationships with their pharmacist and the patients' choice of pharmacies. PBMs manipulate patients' access to the medicines a physician prescribes. PBMs manipulate their dealings with pharmacies in ways that jeopardize their viability.
- × PBMs' manipulation of the pharmaceutical supply chain has resulted in higher cost of medication and less choice in what medication is offered.
- × **3 PBMs control 80% of the prescription drug market and patient access to life-saving medicines.**<sup>1</sup>

## WHY MANIPULATION MATTERS:

- × **Pharmaceutical benefit MANIPULATION harms patients and pharmacies by driving up prices, limiting access to certain medications, and forces pharmacies that serve their communities to close, especially in rural and underserved communities.**
- × While MANIPULATORS take more, patients pay more.
- × **From 2014-2022, 1,357 medications** were excluded from at least one PBM formulary for at least one year. Exclusions have escalated since starting in 2012.<sup>2</sup>
- × PBM market is expected to reach **\$740 Billion by 2029.**<sup>3</sup>
- × **107,400%** increase in pharmacy payments to PBMs in only a decade.<sup>4</sup>
- × **\$2.6 Billion** - amount Medicare and patients overpaid to PBMs that could have been cost savings for patients and the health care system.<sup>5</sup>

## THE SOLUTION:

- ✓ Pharmaceutical benefit MANIPULATION must be stopped, and policymakers should **demand accountability, transparency, and fairness.**
- ✓ Policymakers must ensure that PBMs are:
  - ✓ Passing savings to patients.
  - ✓ Not holding pharmacies hostage to claw-back practices.
  - ✓ Ensuring patient pharmacy choice and medication access.

*Patients, **NOT MANIPULATORS**, should be the center of care.*

## ACTION BEING TAKEN:

- ✓ **Patients, physicians and pharmacists are calling for the manipulation to stop.**
- ✓ The nation's pharmacies and pharmacists – the main stakeholders in the pharmaceutical supply chain to engage with patients – are fighting this.
- ✓ States are passing laws to help stop the manipulation.
- ✓ The U.S. Congress may legislate, too.
- ✓ Legislation and regulatory action is in the works for more federal and state oversight of PBMs.

<sup>1</sup> Drug Channels, April 2022

<sup>2</sup> Drug Channels, January 2023

<sup>3</sup> Fortune Business Insights, March 2022

<sup>4</sup> CMS Federal Register, January 2022

<sup>5</sup> USC Schaeffer, May 2022

## WHAT LEADERS ARE SAYING

**U.S. Sens. Ron Wyden (D-OR)  
& Chuck Grassley (R-IA)**

“Pharmacy benefit managers and insurance companies have the opportunity to negotiate lower prices, but the American people don't know how much these middlemen pocket for themselves.

**George Huntley, CEO,  
Diabetes Leadership Council**

“PBMs manipulate drug pricing and access, and pocket rebates that should go to patients. The truth is patients can't afford not to share in these rebates. Manipulation by middlemen hits our wallets and our health, and it must be stopped.

**Ron DeSantis  
Florida Governor (R)**

“So I go (to fill a prescription). And this guy is telling me these PBMs are killing his business. And I'm like, 'We're going to do something about it. Don't worry.'”



PBM middlemen have **seized control** of the prescription drug market, **harming pharmacies and patients.**

**WE MUST**

**STOP**

**PBM**

**THE MANIPULATION.**

**NACDS**

NATIONAL ASSOCIATION OF  
CHAIN DRUG STORES