

November 6, 2023

The unions and member companies of PILMA have consistently called for reform in the supply chain; namely, addressing the opacity in the system with middlemen such as insurance companies and PBMs. Specifically, PILMA has urged Congress to act to:

- Delink the price of prescription drugs from PBM compensation;
- Create more transparency in PBM pricing and compensation practices; and
- Require PBMs to share the savings they incur from manufacturer rebates by passing those savings on to the patients and plan sponsors.

With a market that sees the largest PBMs controlling more than 80% of the covered lives in the system, we feel that reforms that address the true cost drivers of prescription drugs across both the governmental and commercial marketplaces are long overdue.

We also believe that care can be taken while reforming these middleman practices to preserve current law that provides for uniform federal statutory and regulatory control and facilitates the negotiation of comprehensive multiemployer health benefit plans for union members.