



Founded 1889

United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada

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The Office of Senator Bernie Sanders, Chair
U.S. Senate Committee on Health, Education, Labor, and Pensions
332 Dirksen Senate Office Bldg.
Washington, D.C., 20510

The Office of Senator Bill Cassidy, Ranking Member
U.S. Senate Committee on Health, Education, Labor, and Pensions
455 Dirksen Senate Office Bldg.
Washington, D.C., 20510

cc: Members of the Senate HELP Committee

Dear Chairman Sanders and Ranking Member Cassidy,

On behalf of the more than 380,000 hardworking men and women of the United Association of Union Plumbers and Pipefitters, I write to express our opposition to S. 2780 and S. 2305 currently under consideration by the Committee. We are concerned that these bills would undermine future innovation in the life sciences and have significant downstream effects which would threaten the livelihoods of our members.

Union labor is critical to the success of America's pharmaceutical industry. Thousands of skilled union construction workers are employed in the construction, renovation, and maintenance of industry facilities. According to a recent [study](#), the U.S. life science industry is supported by 22.3 million labor hours by union workers across 14 states, yielding \$774 million in worker earnings in addition to tens of millions of dollars in funding for union health insurance and pension benefits.

Supporting American innovation – and American workers – has been identified as a top bipartisan priority of this Committee. Yet, provisions of the Medication Affordability and Patent Integrity Act (S. 2780) undermine both and increase the risks of exposing confidential trade secret information to U.S. adversaries including China and Russia. The U.S. is the world leader in medical research, development and production because of our robust intellectual property protections. Eroding and undermining these protections will negatively impact the ability of companies to confidently invest in the development of new medicines, which would mean less investment in the offices, labs, and manufacturing facilities built and maintained by union construction labor.

Further, while we appreciate the Biosimilar Red Tape Elimination Act's (S. 2305) intent to increase patient access to lower cost biosimilars, the issue with biosimilar update does not sit at the FDA and this erodes patient safety and choice in medicines by creating a lower standard for biosimilar equivalence than generic equivalence.





What is sorely missing from these proposals is the true culprit behind the high price of medicines: Pharmacy Benefit Managers (PBMs). Just three PBMs are responsible for filling 80% of all prescriptions in the U.S., and these middlemen have unchecked power to determine which medicines are covered on a health plan's formularies. Due to this, lower cost alternatives are often not included on insurance formularies because PBMs make more money from higher cost medicines, requiring manufacturers to provide large rebates to PBMs for medicines to be covered.

As the UA and other building trades unions have communicated before, we believe that there is an opportunity for the Committee work collaboratively to prioritize PBM reform this year – which would bring meaningful savings to America's workers. We urge the committee to consider the following recommendations:

- Delink PBM compensation from the price of prescription drugs;
- 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 the patients and plan sponsors.

Rising healthcare costs remain a significant concern for working families. The UA will continue to advocate for policy solutions that make a true difference in the affordability of healthcare while protecting future cures and union jobs.

Thank you for considering our perspective on this critical issue. We look forward to working together to protect American workers, foster innovation, and contribute to affordable healthcare for all.

Sincerely,

Mark McManus
General President
United Association