August 17, 2026

The Honorable Ron Wyden
Ranking Member, Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, DC 20510

Re: Request for Information – Commonsense Policy Options to Lower Drug Prices for Patients

Dear Ranking Member Wyden and Members of the Senate Finance Committee Minority,

On behalf of the Pharmaceutical Industry Labor-Management Association (PILMA) – a partnership between America's leading biopharmaceutical companies and the union workers who build and maintain their research and manufacturing facilities – I thank you for the opportunity to offer our perspective on the Committee's proposals to make prescription drugs more affordable for patients and working families.

PILMA urges policymakers to pursue reforms that deliver real, durable relief to patients and working families – while preserving the innovation and domestic investment that underpin both medical progress and high-quality American jobs. In that spirit, we offer the following feedback to the Committee's Request for Information.

Lower Drug Costs Through Supply Chain Reform – Not Price Controls

We believe that the best way to lower drug costs is to target the true drivers of unaffordability – an opaque, unaccountable prescription drug supply chain – rather than imposing broad price controls on manufacturers.

Today, more than half of every dollar spent on prescription drugs flows not to manufacturers, but to insurers, pharmacy benefit managers, and other supply chain intermediaries.[i] These middlemen operate with inadequate transparency, and their practices – spread pricing, withholding rebates intended for patients, steering prescriptions to affiliated pharmacies, and leveraging market concentration for hidden profit – add no value to patient care but significantly inflate costs for working families.

We applaud the Committee's success earlier this year in securing the passage of bipartisan PBM reform legislation. These reforms directly confront the unchecked power of pharmacy benefit managers by de-linking PBM compensation in Medicare Part D from drug list prices and establishing flat, predetermined fees rather than percentage-based arrangements that favor expensive medications. Moving forward, we strongly encourage the Committee to build on that success and expand de-linking beyond Part D, address persistent vertical integration in the prescription drug supply chain and prioritize lowering out-of-pocket costs for all patients, workers, and their families.

PILMA has also long raised concerns about the unchecked growth and misuse of the federal 340B Drug Pricing Program. While the program was designed to support safety-net providers, it has expanded dramatically with limited transparency or accountability – contributing to significantly higher costs for union-employer administered Taft-Hartley health plans, which cover approximately 12.7 million union workers and their families.[ii] A recent analysis showed that distortions caused by the 340B program are driving up costs for these plans by as much as $1 billion annually.[iii]

PILMA urges the Committee to pursue meaningful 340B reform that strengthens transparency, restores integrity and ensures that savings reach patients rather than accruing to hospital systems and contract pharmacy chains.

Bolstering Biopharmaceutical Innovation

PILMA strongly supports the Committee's interest in strengthening American biopharmaceutical innovation. The United States has long led the world in medical R&D, and that leadership depends on a robust innovation ecosystem spanning basic research, clinical trials, and private-sector commercialization.

The building trades play a critical role in this ecosystem. Behind every laboratory breakthrough is the physical infrastructure that makes it possible – built, maintained, and renovated by skilled union pipefitters, electricians, ironworkers, and others in the building trades.

For these reasons, we are particularly concerned about recent attempts to cut federal funding for basic science research and applaud the Committee for taking a stand to support investment in the life sciences. A healthy life sciences sector is crucial for the future success of America’s drug development pipeline as well as the union construction jobs supported by pharmaceutical industry research and manufacturing.

Mental health is among the most urgent and personal illustrations of why that ecosystem matters. Construction has one of the highest suicide rates of any industry in the country – male construction workers die by suicide at a rate 65% higher than the average U.S. male worker.[iv] PILMA has made mental health a cornerstone of our work, bringing together our industry and union partners to bridge the gap between resources and access for the workers who build America's biopharmaceutical infrastructure. Our industry partners are actively researching and developing new treatments for depression, schizophrenia, bipolar disorder, and other psychiatric conditions – breakthroughs that fuel earlier detection and stronger outcomes for patients nationwide, including our own members.

This is all possible thanks to the U.S.' strong tradition of protecting intellectual property rights. We urge the Committee to make the preservation of intellectual property a guiding principle of its work – recognizing that a thriving innovation ecosystem is the foundation on which both medical progress and high-quality American jobs are built.

PILMA and the Committee share the same goal: a future where patients can access the medicines they need at a price they can afford, and where American workers benefit from a thriving domestic life sciences industry.

We stand ready to work with the Committee as a constructive partner and thank you for the opportunity to contribute to this important conversation.

Thank you for your consideration.

Sincerely,

AJ Stokes

Executive Director,
Pharmaceutical Industry Labor-Management Association

---

[i] Berkeley Research Group. *The Pharmaceutical Supply Chain, 2013–2023*. January 2025. https://www.thinkbrg.com/news/more-than-half-brand-medicine-spending-goes-to-supply-chain-middlemen-other-stakeholders/

[ii] International Foundation of Employee Benefit Plans, T*he Multiemployer Health Plan Landscape: A 15-Year Look (2008-2022)*. December 2025. https://www.ifebp.org/detail-pages/resource/survey/the-multiemployer-health-plan-landscape-a-15-year-look-2008-2022

[iii] Pharmaceutical Industry Labor-Management Association. *Evaluating the Role of 340B in Managing Healthcare Costs for Taft-Hartley Plans*. https://pilma.org/wp-content/uploads/2026/01/PILMA-Evaluating-the-Role-of-340B-in-Managing-Healthcare-Costs-for-Taft-Hartley-Plans_1-29-26.pdf

[iv] Suicide Rates by Industry and Occupation — National Violent Death Reporting System, 32 States, 2016 https://www.cdc.gov/mmwr/volumes/69/wr/mm6903a1.htm