PILMA
Pharmaceutical Industry
Labor-Management Association

March 27, 2026

Office of Regulations and Interpretations,
Employee Benefits Security Administration, Room N-5655,
U.S. Department of Labor
200 Constitution Avenue NW
Washington, DC 20210

Re: EBSA-2026-0001, Improving Transparency into Pharmacy Benefit Manager Fee Disclosure

On behalf of the Pharmaceutical Industry Labor Management Association (PILMA), I write to commend the Department's efforts to improve transparency into the fees and compensation received by pharmacy benefit managers (PBMs) and their affiliates.

These efforts are essential – and long overdue – for addressing the lack of transparency that has allowed PBMs to shift costs onto employers, health plans, and working families.

For years, PBMs have obscured how much they're taking in from the prescription drug supply chain. By structuring their compensation through multiple layers of rebates, fees, markups, and affiliate arrangements, they make it nearly impossible for plan sponsors to understand where money is flowing or whether negotiated savings are actually reaching the working families covered by these plans.

As the rule is finalized, PILMA encourages the Department to further strengthen it by incorporating the following refinements:

- **Require comprehensive disclosure of all PBM compensation**. The rule must ensure every dollar PBMs and their affiliates receive – including manufacturer rebates retained by PBMs, group purchasing organization (GPO) fees, spread pricing, pharmacy compensation from both affiliated and independent pharmacies, and any other revenue source tied to prescription drug pricing or fulfillment is required to be reported. PBMs have shown a willingness to exploit any loophole in the law to hide their profits – it is important that they not be able to do so any longer.
- **Send all disclosed information directly to the Department of Labor**. The rule should require PBMs to send all information they are required to disclose, including aggregate compensation data, conflict-of-interest disclosures, and fiduciary status determinations directly to the DOL – not just to plan sponsors. This would ensure DOL can actively identify PBM abuses rather than relying on employers and plans to spot manipulation tactics.
- **Clearly define PBM fiduciary responsibilities**. The rule should include concrete examples of when PBMs act as fiduciaries. Without this specificity,

PBMs will continue deciding for themselves whether they are required to disclose, allowing them to evade accountability.

Transparency in the prescription drug system is essential not only for plan sponsors but for the workers and employers who make up PILMA's partnership. When PBMs extract hidden profits from the system, the costs cascade downward, placing a profound strain on working people and their families – including the skilled pipefitters, electricians, ironworkers, and other tradespeople who build America's pharmaceutical manufacturing infrastructure. Today, PBMs and other middlemen capture more than half of every dollar spent on prescription medications – and their share continues to grow as patients increasingly struggle to afford their medications.

Employer-sponsored and union-managed health plans, long considered the gold standard of American healthcare benefits, have felt this strain even as they continue to provide comprehensive coverage for millions of American workers and retirees

PILMA stands ready to work with the Department as it finalizes this rule. Addressing PBM abuses is critical to ensuring that the prescription drug system works for patients, workers, and employers alike. By strengthening this rule as we've outlined, the Department can help restore integrity to the marketplace and protect the health benefits that working families depend on.

Thank you for your leadership on this important issue.

Sincerely,
AJ Stokes



Executive Director
Pharmaceutical Industry Labor-Management Association