



March 12, 2024

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The Honorable Chuck Grassley
Senator of Iowa
135 Hart Senate Office Building
Washington, DC 20510

Dear Senator Grassley,

On behalf of the 2.1 million members of the Association of Mature American Citizens - AMAC, I write to offer our support for S. 113, the Prescription Pricing for the People Act. This important legislation instructs the FTC to investigate the conduct practices of pharmacy benefit managers (PBMs) more thoroughly.

As an organization representing mature Americans, many of whom living on fixed incomes, we are concerned that PBM anti-competitive business practices increase the list cost of drugs. AMAC Action has been a leader in urging Congress and the FTC to shine light on these business practices and appreciates your efforts to move this important issue forward in Congress.

Pharmacy benefit managers were created to manage drug benefits for insurance plans and lower consumer costs, but over the years, these middlemen have expanded beyond their original purpose. AMAC Action has been vocal on behalf of our members regarding the layers of anti-competitive business practices used by PBMs, including reducing market competition for drugs, using spread pricing to increase profits without lowering costs, using claw-backs to hurt independent pharmacies, and shifting patients to costlier drugs. None of these practices are in the best interest of the patient. Your legislation forces the FTC to answer important questions about PBMs, specifically whether PBMs:

- Charge certain payers, including Medicare and Medicaid, a higher price than reimbursement rates for competing pharmacies while reimbursing pharmacies in which the PBMs have an ownership interest at the rate charged to payers;
- Steer patients to pharmacies in which the PBM has an ownership stake;
- Audit or review proprietary data of pharmacies not owned by the pharmacy benefit manager and use such data for competitive advantage; and
- Use formulary designs to depress the market share of low-cost, lower-rebate prescription drugs.

Thank you for your longstanding support of PBM reform and accountability. We look forward to helping you move S. 113 forward in Congress.

Sincerely,

A handwritten signature in black ink that reads "Bob Carlstrom".

Bob Carlstrom
President
AMAC Action