



February 26, 2025,

The Honorable Earl L. “Buddy” Carter
House of Representatives
Washington, D.C. 20515

The Honorable Diana DeGette
House of Representatives
Washington, D.C. 20515

Dear Health Subcommittee Chair Carter and Ranking Member DeGette,

The Alliance of Community Health Plans (ACHP) commends your leadership and continued commitment to pharmacy benefit manager (PBM) transparency. In the 2024 elections, voters made clear they seek affordable drug prices. We’re pleased the Energy and Commerce Subcommittee on Health has continued to focus on the need for PBM transparency and urge congressional leadership to capitalize on the momentum of the last Congress to sign comprehensive PBM transparency into law.

ACHP is the only national organization advancing a unique payer-provider aligned model of health care that fosters true competition, delivering high-quality coverage and care. As regional and non-profit insurers, ACHP member companies provide affordable coverage options to tens of millions of Americans in nearly 40 states and D.C., remaining in their markets even when other carriers exit. The sustainability of regional health plans is paramount to an innovative and competitive insurance industry, ensuring consumers are free to select the coverage they want.

PBM functions are a necessary component of the drug supply chain, especially assisting community health plans with small pharmacy staff to process claims, track drug utilization and manage formularies. However, the massive consolidation and market dominance of three PBMs combined with misaligned incentives underscore the need for transparency and reforms.

ACHP member companies support moving PBMs to a fee-based, transparent industry, like those included in the year-end health care package that ultimately fell out of the December continuing resolution. The legislation required PBMs to report money paid to brokers and consultants, subjected PBM subsidiaries and affiliates to the same transparency as the PBMs themselves and delinked PBM compensation from the cost of the drug in Part D. Lowering drug costs has been a key health care priority for President Trump, who has repeatedly referred to PBMs as middlemen who must be cut out in order to lower costs.

For far too long, drug pricing in America has resembled a Ponzi scheme, benefiting a few at the expense of many. Currently, many PBMs operate in a black box and the hidden deals attached to PBM compensation are directly increasing drug prices for consumers. It is past time for Congress to take action.

Thank you for your continued efforts and leadership on PBM transparency. It is critical lawmakers pass comprehensive PBM transparency to bring much-needed relief to patients at the pharmacy counter. We look forward to collaborating on steps the 119th Congress can take to ensure a more transparent and



competitive PBM market that will empower nonprofit, regional health plans to lower prescription drug costs on behalf of the patients our members serve. Please contact Dan Jones, Senior Vice President, Federal Affairs (djones@achp.org) to discuss these recommendations further and support the Energy and Commerce Committee's bold agenda.

Regards,

Ceci Connolly
President and CEO, ACHP

Cc: Energy and Commerce Committee Chairman Brett Guthrie and Ranking Member Frank Pallone