



Senator Bill Cassidy  
455 Dirksen Senate Office Building  
Washington, D.C. 20510

Dear Senator Cassidy:

Congratulations on your new leadership role as ranking member of the Senate Health, Education, Labor, and Pensions Committee. We appreciate all your efforts to make meaningful change that ensures access to affordable, innovative medications and treatments, and know you'll be considering many different policy solutions to improve health care for American patients. As you know, pharmacy benefit managers (PBMs) are at the center of this discussion and accountability is needed to ultimately lower the cost of medications at the pharmacy counter for patients in Louisiana.

As a physician, we know you're aware of the ways PBMs circumvent the system and create policies that impede patient access to necessary medications while raising prices – and pocketing the profits – without any benefit to the patient. Today, three PBMs – CVS Caremark, Express Scripts and OptumRx – control more than 80% of the prescription drug marketplace impacting a majority of patients. These PBMs have also gone through vertical integration and now include insurance companies, PBMs, and pharmacies allowing for little decision making for the patient, physician, or their community pharmacist. We've seen this impact in Louisiana from a [new contract between the state health insurance plan and CVS Caremark](#) with 72 independent pharmacies option out due to reimbursement practices with eight parishes that have fully opted out of the network significantly impacting access in these rural communities.

At the state level, the Louisiana legislature has worked to pass legislation to ban copay accumulator policies supported by nearly 40 patient advocacy organizations. Today, nearly all health plans and PBMs include language of a copay accumulator policy. Many patients depend on patient assistance programs

including co-pay coupons to afford their medications when insurance doesn't cover enough. Unfortunately, health insurers and PBMs often do not attribute these assistance tools to a patient's deductible or out-of-pocket maximum – instead increasing their profit by double dipping.

Across the country, we've seen several state Attorneys General identify hundreds of millions of dollars in government funding that has been lost due to non-transparent PBM business practices. This is due in large part to the business structure of a PBM. To maximize their revenues, PBMs are creating drug formularies that prefer higher cost medications to yield them larger profit margins, giving less preferential treatment to lower-priced generics and biosimilars on drug formularies.

When considering legislation to address PBMs we urge you to include actionable language that:

- **Ensures access and affordability for patients.** Mandate that all cost-savings rebates and discounts be passed through to health plan sponsors and patients at the point of sale. Streamline utilization management protocols to include timely access and administrative efficiency.
- **Creates a PBM revenue system that isn't tied to medicine prices.** Prohibit PBMs from earning revenues from higher cost medications to break the arbitrary formulary model. Instead, ensure PBMs have transparent, flat administrative fees that are assessed to their client health plan sponsors for services that have value to them.
- **Requires reasonable client-PBM data transparency.** It's important for plan sponsors and government programs to monitor PBM operations and ensure they are operating in the best interest of their clients with a line of sight into things such as administrative and non-administrative fees, rebates, and reimbursement.

We look forward to working together to hold PBMs accountable and ensure access to innovative, affordable medications for patients.

Thank you,  
American Senior Alliance  
Coalition of State Rheumatology Organizations  
Epilepsy Alliance Louisiana  
Exon 20 Group  
H.E.A.L.S. of the South  
ICAN, International Cancer Advocacy Network  
Infusion Access Foundation  
Lupus and Allied Diseases Association, Inc.  
International Foundation for Autoimmune & Autoinflammatory Arthritis (AiArthritis)  
National Infusion Center Association  
PD-L1 Amplifieds  
Rheumatology Alliance of Louisiana  
Spondylitis Association of America  
Survivors Cancer Action Network