



March 24, 2022

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

Dear Senator Grassley,

On behalf of the 2.3 million members of AMAC – Association of Mature American Citizens, including over 25,000 residing in the state of Iowa, I write to offer our support for S. 1388, the Prescription Pricing for the People Act.

As an organization comprised of many retirees living on fixed-incomes, AMAC was pleased to see the Prescription Pricing for the People Act reintroduced in the 117th Congress. We're hearing from our members of the difficult decisions they must make during these inflationary times to stretch their budgets to pay for the necessities of life, including their prescription drugs. Some AMAC members tell us that they are delaying certain medical procedures and drug therapy because they cannot afford the out-of-pocket expense.

Recent consolidations between pharmacy benefit managers (PBM) and insurance providers have resulted in vertical integration whereby a small number of companies now manage many prescription drug benefits. PBMs operate with little to no transparency and their secretive business practices make it very difficult to understand the flow of money in the prescription drug marketplace.

Your bill would direct the Federal Trade Commission (FTC) to launch a study and report to Congress on the effects PBM consolidation has on the competitive landscape of the prescription drug supply chain. Furthermore, the FTC would study whether PBMs steer patients to pharmacies in which they have an ownership stake and use formulary designs to depress the market share of low-cost, lower-rebate prescription drugs, among other provisions.

Thank you, Senator Grassley, and your bipartisan co-sponsors, for reintroducing important legislation that would provide much needed transparency for PBM business practices. AMAC believes that PBM transparency would lead to lower drug costs for all Americans and in particular, Medicare beneficiaries. We are pleased to offer our organization's full support for S. 1388, the Prescription Pricing for the People Act.

Sincerely,

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

President
AMAC Action