

RetireSafe

February 6, 2025

Via Electronic Delivery

Dear Members of Congress,

I am writing on behalf of RetireSafe, a grass roots, non-profit organization that educates and advocates on behalf of senior Americans on issues including Social Security, Medicare, health, safe retirement and financial well-being. In accordance with this mission, I urge you to act swiftly to advance pharmacy benefit manager (PBM) reform that would protect American senior's access to affordable medications at the beginning of this new legislative session. These drug middlemen distort our healthcare market, abuse the Medicare drug benefit program and stand in between seniors and the medications they rely on.

Congress missed a critical opportunity to reform this system at the end of 2024. We urge Congress to take timely action to ensure America's aging population does not face unnecessary obstacles that make their medication less affordable.

A recent Federal Trade Commission (FTC) report revealed that drug middlemen have significantly marked up drugs used to treat cancer, HIV, heart disease, and other serious conditions. These upcharges involve marking up lifesaving drugs by hundreds or thousands of percent. In one case, PBMs paid affiliate pharmacies 5,000% more than in commercial health plans and 4,000% more than Medicare for a cancer pill. An FTC official correctly labeled this as "significant overcharging," by PBMs, highlighting just how exploitative these practices have become. This grossly unethical behavior is hurting older Americans, many of whom take a variety of medications to treat a myriad of conditions and are on fixed incomes. Congress must put an end to these abuses.

At the end of last year, critical PBM reforms gained bipartisan support, significant momentum, and almost crossed the finish line. At one point, many members of Congress [sought to include](#) policies that would rein in these corporate giants in the end-of-year funding bill. These included requiring PBMs to pass rebates on to drug plan sponsors and bringing greater transparency to drug spending practices, both vital priorities that would improve the healthcare landscape significantly.

While these reforms ultimately did not pass, they represent an important first step in protecting seniors' access to medications. Furthermore, delinking PBM compensation from drug list price would remove the incentive to drive up drug prices, aligning with the interest of patients and the healthcare system rather than corporate profits.

When PBMs manipulate drug prices, they directly harm one of our nation's most vulnerable populations—our seniors. As you set your priorities for this legislative session, I urge you to stand up for America's seniors by introducing, supporting and passing Medicare PBM reform in the upcoming legislation needed to extend government funding beyond March 15th. Thank you for your leadership on this critical issue.

Sincerely,

Mark Gibbons
President
RetireSafe