



August 17, 2023

The Honorable Ron Wyden
Chair
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20510

Dear Chairman Wyden and Ranking Member Crapo:

AARP, which advocates for the more than 100 million Americans aged 50 and over, is pleased to endorse Modernizing and Ensuring PBM Accountability Act. We appreciate your ongoing bipartisan efforts to advance policies to address practices in the prescription drug market that can contribute to high prices for consumers and taxpayers.

Currently, some pharmacy benefit manager (PBM) fees are linked to drug prices, which could incentivize PBMs to cover high-priced drugs instead of lower-priced alternatives. Your legislation would de-link PBM compensation from drug prices and instead require Medicare Part D plans to pay PBMs using flat-dollar service fees. It will also address the possibility of PBMs receiving price-based compensation from other entities in the supply chain, including drug companies. AARP believes that this should eliminate potentially misaligned incentives and help reduce costs for Medicare Part D enrollees. Further, the bill would increase transparency and accountability in the prescription drug supply chain, which will help inform other efforts to lower costs for consumers and taxpayers.

We look forward to continuing to work with you and others to address challenges in the prescription drug supply chain and to lower drug prices for all Americans. If you have any questions, please feel free to contact me or have your staff contact Gidget Benitez on our Government Affairs team at gbenitez@aarp.org.

Sincerely,

A handwritten signature in purple ink that reads "Bill Sweeney". The signature is fluid and cursive, with the first name "Bill" and last name "Sweeney" clearly distinguishable.

Bill Sweeney
Senior Vice President
Government Affairs