

Prescription Pricing for the People Act ([S.527](#))

On Feb 12, 2025, Senators Chuck Grassley (R-IA), and Maria Cantwell (D-WA) reintroduced the *Prescription Pricing for the People Act* (S.527). If enacted, the bill would require the FTC to complete a 6(b) study within one year of enactment of the business practices of the PBM industry and its relation to drug pricing, while also looking at the relationships of suppliers (wholesalers), and pharmacy services administrative organizations (PSAO). While there is some overlap between the [concerns](#) of the FTC in its ongoing investigation and concerns outlined in this bill, they are not identical.

Position

PCMA supports legislation that continues to enhance transparency for all participants within the drug supply chain, while providing a balanced approach to the FTC's scope of work.

Key Provisions

- Directs the FTC to issue a report within one year assessing whether PBMs
 - Charge payers higher prices than the reimbursement rates they provide to both their own pharmacies and independent pharmacies.
 - Steer patients for competitive advantage
 - Audit or review data from independent pharmacies such as acquisition costs, patient information or dispensing details to increase their own revenue or market share.
 - Use formulary design to favor higher priced drugs.
- Seeks to evaluate competition trends in the supply chain “with regard to intermediaries, and their integration with other intermediaries, suppliers, or payers” and determine if consumers should have more information about the individual roles, “including the [PBM] marketplace and [PSAOs].”
- Instructs FTC to identify any legal or regulatory obstacles faced for enforcing antitrust and consumer protection laws and provide policy recommendations.

What We Want You to Know

- PCMA supported this bill during the 118th Congress and continues to support transparency across the entire drug supply and payment chain.
- This legislation advanced out of the Senate Judiciary Committee in the 118th, but no House companion legislation was introduced, in part because Lower Costs More Transparency was moving, but also because of House Republicans' reluctance to provide more authority to Lina Khan's FTC.

- PBMs support transparency and data disclosures that help employers and patients.
- Plan sponsors typically shop for PBMs using benefits consultants and requests for proposals (RFPs), which include hundreds of requirements and questions that PBMs must respond to, to be considered for selection.
- Some employers, especially small employers, prefer the predictability of spread pricing.
- Formularies force competition and emphasize high-value, effective drugs that help patients and plan sponsors get the best outcomes for the lowest net cost.
- Pharmacies should have transparency when deciding on the value of a PSAO.