

U.S. Senator Maria Cantwell

Seattle Pharmacy Benefit Manager Press Event

October 12th, 2023

Sen. Cantwell Remarks - Timestamp: 15:18 – 21:38

[\[AUDIO\]](#) [\[VIDEO\]](#)

Sen. Cantwell: Well, I want to thank everybody for being here today. Jenny Arnold from the Washington State Pharmacy Association, Ahmed from the Othello Station Pharmacy, thank you for letting us come by and being here at your wonderful community pharmacy.

And I think he said it best, that he serves this neighborhood and he serves this community. And if we allow the PBMs to keep going at the rate they're going, other pharmacies like the one you mentioned nearby, will close and people will have less access, less information, and certainly more expensive drugs. We just can't afford it.

I want to thank Cathy MacCaul from AARP for the endorsement of this legislation. This means everything to us. And we certainly appreciate it, Senator Grassley and myself, because it's a big boost to those who are paying attention to seniors and the impact to seniors that high prescription drug costs are having.

And I also want to thank Mohamed, a patient here who also articulated what it's like to just live every day with these costs.

And also, our last speaker Ryan Oftebro came to us in the U.S. Senate and participated in a hearing and articulated for the nation some of these very important issues. But we're here today to say we can't afford to lose one more pharmacy and we can't afford to pay any higher drug prices.

Since January 2022, the price of about 3,000 drugs shot up an average of \$150 per dose. Just six months later, another 600 drugs went up this time an average of \$250. Incredibly, the price for two cancer fighting drugs soared \$25,000 for a single injection.

What is someone supposed to do when the drugs they depend on for their lives shoot up by hundreds of dollars with no warning?

A survey of 1,300 Washington residents last year found that nearly one in four residents either rationed a medication or skipped refilling drugs due to the high cost.

Take insulin for example, about 226,000 Washingtonians rely on insulin to treat diabetes, and the average patient needs two or three vials per month. In 1991 one vial of insulin was \$21, but by 2019, that same vial costs \$332. That's almost 15 times as much.

For someone with diabetes, [skipping] insulin is not an option. And while I'm glad we were able to pass federal legislation that helps seniors deal with these insulin costs, it's time that we do something else to help other citizens who are suffering from these high costs. That is why Senator Grassley and I introduced the Pharmacy Benefit Manager Transparency Act, Senate Bill 127, which is being endorsed today by AARP.

This legislation gives the power to the FTC to make sure that deceptive and unfair practices that are being used by Pharmacy Benefit Managers, such as spread pricing, and clawbacks do not cause pharmacies to close and creates transparency in actual drug pricing.

Why are these manipulative practices, like spread pricing, or clawbacks [so harmful]? Because [PBMs] basically are a concentration of the market without people having options to go to other places. They basically are saying that this is the price of the drug, but then charging or clawback the discounts that pharmacies had, oftentimes without reason or explanation.

As Ryan mentioned, in his ownership of Kelley-Ross in his testimony in the Senate, that \$538,000 in one year of clawbacks caused a pharmacy that he was involved with to close. That's what we're hearing from pharmacies all over America.

If we allow the PBMs to keep this practice up they are going to literally create a desert of pharmacies in areas of the United States that we can't afford to have.

And other pharmacists discuss these ideas and I think you said it best, that there's a lot of private conversations that go on in the pharmacy. To imagine those private conversations no longer existing because everything is a mail order system. There are clearly people that would prefer a concentrated market without options and clearly would prefer that all these drugs best be sold online.

The pharmacists are a critical part of our healthcare delivery system, and they deserve to have a fair price for the drugs that they also are [dispensing] to the public. That is why the [PBM Transparency Act] stops those manipulative practices and shines a bright light on the back of these schemes that help them perpetrate an unfair price.

It doesn't matter whether someone has Medicare or private health insurance, patients should not have to pay more than the cost of the medication. And that is why we're so happy to be here today to ask Americans to join the fight in supporting this legislation.

Senator Grassley and I have about 10 other colleagues who are supporting this legislation and we want the Senate to take up this bill this year. We think that the high cost of drugs are having a big impact on Americans and certainly here in Washington we see that.

But we cannot have somebody who has cornered the market in the amount of vertical control that they have, set this price, and clawback, and spread price on pharmacists, to the degree that they don't even know what they're charging for the drug and putting them out of business. Enough is enough. Let's get this legislation passed and let's save our local pharmacies.