August 17, 2026

The Honorable Ron Wyden
Ranking Member
Senate Committee on Finance

Re: Request for Information on Prescription Drug Pricing

Dear Ranking Member Wyden:

Consumers for Quality Care (CQC) appreciates the opportunity to provide comments in response to the Senate Finance Committee's Request for Information on prescription drug pricing. CQC is a consumer advocacy organization dedicated to ensuring that healthcare policy puts patients first by improving affordability, access, transparency, and accountability through the healthcare system. Our coalition of healthcare consumer advocates and former policy makers aim to provide a voice for patients in the healthcare debate as they demand better care.

Prescription drug affordability is one of the most pressing concerns facing American families. Millions of patients, including seniors, individuals living with chronic illnesses, and working families with employer-sponsored insurance, struggle with high out-of-pocket costs that force impossible choices between filling prescriptions, paying household bills, or foregoing treatment altogether.

While significant emphasis has been placed on manufacturers' prices, patients experience affordability very differently. Consumers care about what they pay at the pharmacy counter. Unfortunately, that amount is increasingly determined not only by the price of the medicine, but also by the decisions of insurers, pharmacy benefit managers (PBMs), and other intermediaries that design benefits, negotiate rebates, manage formularies, and determine cost-sharing obligations. Any serious effort to improve prescription drug affordability must address the entire healthcare ecosystem to have an impact on consumers' pocketbooks.

Like hospital pricing, prescription drug pricing is extraordinarily opaque. Patients rarely know why one medicine carries higher out-of-pocket costs than another, whether negotiated rebates reduce their own expenses, if they could get the medications at a lower cost going around their insurance company, how coverage decisions are made, and who sets the price they pay at the pharmacy counter. At the same time, consolidation among insurers and PBMs has concentrated pricing control in the hands of a small number of vertically integrated companies that increasingly control nearly every aspect of prescription drug benefits. Greater transparency and accountability throughout this system are essential if policymakers hope to restore competition and ensure that negotiated savings actually benefit consumers.

Congress should prioritize reforms that directly reduce what patients pay when they need their medications. One of the most important opportunities is strengthening protections against excessive out-of-pocket costs. While recent reforms like the Medicare Part D prescription drug cost cap are a bright spot in the health insurance landscape, many Americans continue to face substantial upfront expenses, high coinsurance and significant barriers early in the plan year. Insurer practices like copay accumulators and other practices that divert cost-sharing

assistance, which allow health insurers to double dip by prohibiting the cost sharing coupons relied on by many Americans with chronic diseases from counting against a patient's deductible or caps on total out-of-pocket spending, mean patients with chronic diseases face needless expenses.

Equally important is ensuring that PBMs and health plans are held accountable for decisions that directly affect patient affordability. PBMs play a critical role in negotiating discounts and determining formulary placement, yet patients and employers rarely have visibility into whether negotiated rebates and discounts reduce patient costs. Greater transparency regarding rebate retention, spread pricing, formulary decision-making, and PBM compensation would help ensure that negotiated savings are used to lower patients' costs rather than increasing profits for PBMs.

Insurance benefit design also deserves great scrutiny. Patients frequently encounter high coinsurance, restrictive formularies, burdensome prior authorization requirements, and copay accumulator adjustment programs that substantially increase the costs they pay for the medicines. Complicated prior authorization requirements and step-therapy policies also delay patients' access to necessary medications, treatments, surgeries, and other care, often forcing them to wait weeks or months for approval, or denying the treatment altogether. Furthermore, these policies often go against doctor's recommendations, requiring patients to fail first on one or more medications before the plan will cover the cost of the originally prescribed treatment. Consumers deserve insurance coverage that provides meaningful financial protection when they become sick, not coverage that shifts ever-greater costs and administrative burdens onto patients.

Congress should also continue evaluating the adverse impacts of vertical integration across the healthcare marketplace. Vertical integration allows insurers to own multiple parts of the healthcare system, including PBMs, physician groups, and pharmacies. The Medical Loss Ratio (MLR) was designed to protect consumers – a watchdog metric in ensuring that health insurers spend most of patients' premium dollars on their medical care and healthcare quality improvement and not administrative costs or profits. However, large insurers who also own PBMs, provider groups, mail-order and retail pharmacies, payment processors, specialty pharmacies, and even private label biosimilar manufacturers. By using tactics like charging inflated prices for services and medications within their own networks, masking the true profitability of the business and boosting the MLR, insurers can claim a higher MLR, potentially avoiding consumer rebates as the inflated charges flow back to the parent company.

Consumers deserve a prescription drug system that is transparent, competitive, and accountable at every level. Lowering patient out-of-pocket costs will require more than focusing on any single stakeholder. It will require comprehensive reforms that ensure manufacturers, PBMs, insurers, pharmacies, and health plans all share responsibility for making prescription drugs affordable and accessible.

CQC appreciates the Committee's leadership in examining these important issues and looks forward to continuing to work with Congress to develop patient-centered policies that improve affordability, strengthen accountability, and ensure all Americans can access high-quality healthcare.

Sincerely,
Consumers for Quality Care