

Press Release



Pharmacy Benefit Managers: Transparency Measures Aren't a Silver Bullet

PAULINA ENCK | MAY 5, 2023

In response to rising prescription drug costs the Senate Finance Committee released a bipartisan transparency framework, alongside the Senate Committee on Health, Education, Labor and Pensions (HELP) transparency bill language, to require pharmacy benefit managers (PBMs) to provide comprehensive information on drug costs, rebates, and patient utilization to plan sponsors. In a new insight, Director of Health Care Policy Laura Hobbs explains how PBMs work, walks through the transparency measures Congress is pursuing, and examines why these proposals may do more harm than good.

Hobbs concludes:

PBMs exist at the opaque intersection of health plan services and payments. Their unclear business practices, concentration in the market, and the nature of their reliance on rebates often draw scrutiny. But the Senate Finance Committee transparency bipartisan framework and HELP transparency bill may ultimately undermine the PBM incentive structure and set precedents in private business contracting that limit competition and increase costs.

[*Read the analysis*](#)