



COALITION AGAINST SOCIALIZED MEDICINE

a Project of THE CONSERVATIVE POLITICAL ACTION COALITION

February 26, 2025

The Honorable Brett Guthrie
Chairman
The House Committee on Energy and
Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Buddy Carter
Chairman
The House Committee on Energy and
Commerce
Subcommittee on Health
2125 Rayburn House Office Building
Washington, D.C. 20515

Via Electronic Delivery

Dear Chairman Guthrie and Chairman Carter:

On behalf of the Coalition Against Socialized Medicine (CASM), I want to thank you for your continued, fervent support for reforms that will rein in the nefarious practices of Pharmacy Benefit Managers (PBMs) that drive up costs for taxpayers and patients in need. CASM is comprised of more than a dozen free-market and limited-government organizations, who together seek to protect America's taxpayers and patients from the perverse incentives and pervasive mismanagement of government-run healthcare programs.

As you well know, PBMs operate in an opaque, anti-competitive marketplace that allows them to swindle American consumers to line their pockets. At your upcoming hearing, *"An Examination of How Reining in PBMs Will Drive Competition and Lower Costs for Patients,"* CASM urges you to support reforms that will increase transparency and lower costs across the board.

Horizontally, the three largest PBMs make up [80%](#) of the prescription drug market. Put simply, this is not a competitive marketplace. Vertically, these behemoths are integrated as well. For one example, UnitedHealth Group, which owns the PBM OptumRx, also has under its [umbrella](#) (as of December 31, 2023) home health care providers, pharmacies, therapy centers, a bank, and more. When such a small number of companies control such a large chunk of the industry, alarm bells should be ringing for any believers in the free market.

Those sirens have been blaring at the Federal Trade Commission (FTC), which recently released two reports on PBMs. The [first](#) concluded that PBMs have gained a large amount of control over prescription drug costs through horizontal and vertical integration. Moreover, it found that this market concentration has led them to inflate drug costs and block cheaper alternatives for patients. The [second](#) report, even more concerningly, found that PBMs have significantly hiked the prices for lifesaving drugs by hundreds or even thousands of percent.

Allowing PBMs to continue operating unchecked is enabling the slow dissolution of the free healthcare market. At your upcoming hearing, CASM urges you to advocate for PBM reform, such as transparency requirements and de-linking PBM compensation from drug list prices, to protect taxpayers, patients, and

the competitive marketplace on which our entire economy depends. **I urge you to act swiftly to pass legislation regulating PBM practices early this Congress.**

I appreciate your dedication to this pressing issue.

Sincerely,

A handwritten signature in black ink, reading "Andrew M. Langer". The signature is fluid and cursive, with the first name "Andrew" and last name "Langer" being more prominent than the middle initial "M".

Andrew Langer
Executive Director
Coalition Against Socialized Medicine (CASM)