



COALITION AGAINST **SOCIALIZED** **MEDICINE**

a Project of THE CONSERVATIVE POLITICAL ACTION COALITION

**To: Hon. Lori Chavez-DeRemer, Secretary, United States Department of Labor
Hon. Daniel Aronowitz, Assistant Secretary and Administrator, Employee Benefits
Security Administration**

From: Andrew Langer, Executive Director, Coalition Against Socialized Medicine

Date: April 15, 2026

**Re: Comments on the Department of Labor’s Proposed “Improving Transparency into
Pharmacy Benefit Manager Fee Disclosure” Rule, Docket #EBSA-2026-0001-0001,
RIN 1210-AB37, Published January 30, 2026**

Introduction

The Coalition Against Socialized Medicine (CASM) respectfully submits these comments to the United States Department of Labor in response to the proposed rule, *“Improving Transparency into Pharmacy Benefit Manager Fee Disclosure”* (Docket #EBSA-2026-0001-0001, RIN 1210-AB37), published in the Federal Register on January 30, 2026.

CASM is a coalition of allied free-market, limited-government policy research, education, and advocacy organizations, led by the Conservative Political Action Coalition (CPAC), a non-profit, non-partisan 501(c)(4) research, education, and advocacy organization based in Alexandria, Virginia.

Our coalition is dedicated to defending the free-market principles that uphold America’s healthcare system. We support reforms that increase transparency and accountability, particularly when middlemen, such as pharmacy benefit managers (PBMs) and health insurance companies, exploit gaps in the system at the expense of patients. CASM champions patient-centered, market-based solutions that expand access to care, improve outcomes, and reduce costs for both patients and taxpayers.

Opaque PBM Practices Are Driving Up Costs and Distorting the Prescription Drug Market

PBMs, the intermediaries that “negotiate” drug prices and administer prescription drug benefits on behalf of insurers and employer-sponsored health plans, have amassed significant market power through both vertical and horizontal consolidation. Today, PBMs exercise outsized control over drug pricing, formularies, and pharmacy networks. This concentration of authority distorts competition, weakens incentives for innovation, and limits patient access to needed treatments.

As a result, patients are often steered toward higher-cost drugs and insurer-owned pharmacies, while employers and plan sponsors have limited visibility into how prescription drug prices are determined, leaving both groups vulnerable to misaligned incentives in the prescription drug supply chain.

The scale of this consolidation is not theoretical—it’s measurable. The three largest PBMs control roughly 80% of the prescription drug market, consolidating pricing power over medications for a majority of patients and effectively creating a healthcare oligopoly. This dominance diminishes competition and creates formidable barriers for independent and smaller pharmacies, allowing larger companies to keep patient costs high and their revenue up.

For employer-sponsored health plans governed by the Employee Retirement Income Security Act (ERISA), the lack of transparency creates challenges for plan fiduciaries in fulfilling their duty to act in the best interests of plan participants and beneficiaries. When employers lack clear pricing information, they cannot effectively oversee prescription drug benefits, often leading to higher costs for employees and their families.

A profound lack of transparency and opaque pricing practices allow PBMs to obscure the true cost of prescription drugs. Rebates and discounts are rarely passed on to patients, leaving them with higher out-of-pocket costs at the pharmacy counter. Instead, PBMs retain a significant share of these savings, diverting funds that would otherwise reduce patient costs. Working in tandem with large health insurance companies, PBMs reshaped the market to serve their own interests and bottom line, eroding patient access and driving up the overall cost of care.

Enhanced Transparency Requirements Are Necessary to Protect Patients

The Department of Labor’s proposed rule is a critical step toward restoring accountability in the prescription drug supply chain. By requiring disclosure of all direct and indirect compensation paid to PBMs and their affiliates in connection with their services, the rule would equip regulators, employers, and policymakers with the information necessary to evaluate PBM practices and ensure compliance with fiduciary obligations. Greater transparency will also shed

light on complex rebate arrangements and revenue streams that are currently buried within complex contracting structures.

Recent legislative action demonstrates the value of these reforms. The [Consolidated Appropriations Act of 2026](#) established stronger oversight and disclosure requirements for PBMs, ensuring discounts and rebates are passed directly to patients. We strongly encourage the Department of Labor to align its regulatory framework with these reforms to reinforce consistency and strengthen integrity in our healthcare system.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Andrew M. Langer". The signature is written in a cursive style with a large, stylized initial 'A'.

Andrew M. Langer
Executive Director
Coalition Against Socialized Medicine