

116TH CONGRESS
1ST SESSION

S. 1532

To require the Government Accountability Office to study the role pharmaceutical benefit managers play in the pharmaceutical supply chain and provide Congress with appropriate policy recommendations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 16, 2019

Mrs. BLACKBURN (for herself and Mr. BRAUN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To require the Government Accountability Office to study the role pharmaceutical benefit managers play in the pharmaceutical supply chain and provide Congress with appropriate policy recommendations, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Pharmacy Benefit
5 Manager Accountability Study Act of 2019”.

1 **SEC. 2. GAO STUDY.**

2 Not later than 1 year after the date of enactment
3 of this Act the Comptroller General of the United States
4 shall submit to the Committee on Finance and the Com-
5 mittee on Health, Education, Labor, and Pensions of the
6 Senate and to the Committee on Ways and Means and
7 the Committee on Energy and Commerce of the House
8 of Representatives a report that—

9 (1) addresses, at minimum—

10 (A) the role that pharmacy benefit man-
11 agers play in the pharmaceutical supply chain;

12 (B) the state of competition among phar-
13 macy benefit managers, including the market
14 share for the Nation's 10 largest pharmacy
15 benefit managers;

16 (C) the use of rebates and fees by phar-
17 macy benefit managers, including data for each
18 of the 10 largest pharmacy benefit managers
19 that reflects, for each drug in the formulary of
20 each such pharmacy benefit manager—

21 (i) the amount of the rebate passed on
22 to patients;

23 (ii) the amount of the rebate passed
24 on to payors;

25 (iii) the amount of the rebate kept by
26 the pharmacy benefit manager; and

1 (iv) the role of fees charged by the
2 pharmacy benefit manager;

3 (D) whether pharmacy benefit managers
4 structure their formularies in favor of high-re-
5 bate prescription drugs over lower-cost, lower-
6 rebate alternatives;

7 (E) the average prior authorization ap-
8 proval time for each of the 10 largest pharmacy
9 benefit managers;

10 (F) factors affecting the use of step ther-
11 apy in each of the 10 largest pharmacy benefit
12 managers; and

13 (G) the extent to which the price that
14 pharmacy benefit managers charge payors, such
15 as the Medicare program under title XXVIII of
16 the Social Security Act (42 U.S.C. 1395 et
17 seq.), State Medicaid programs under title XIX
18 of the Social Security Act (42 U.S.C. 1396 et
19 seq.), the Federal Employees Health Benefits
20 Program under chapter 89 of title 5, United
21 States Code, or private payors, for a drug is
22 more than such pharmacy benefit managers pay
23 the pharmacy for the drug; and

24 (2) provides recommendations for legislative ac-
25 tion to lower the cost of prescription drugs for con-

1 sumers and payors, improve the efficiency of the
2 pharmaceutical supply chain by lowering inter-
3 mediary costs, improve competition in pharmacy
4 benefit management, and provide transparency in
5 pharmacy benefit management.

