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June 1, 2023

TK Keen c/o
Jolie Matthews
444 North Capitol Street NW, Suite 700
Washington, DC 20001
Sent via email

Re: PBM White Paper

Chairman Keen,

Thank you for the opportunity to provide public comments on the Pharmacy Benefit Manager White Paper. Like many others, we were disappointed that the NAIC was unable to adopt the proposed model law in Columbus in 2021. Since then the committee has had a number of experts weigh in on the issues contained in the paper. We are sure all of those experts – from pharmacists, pharmacy benefits managers, drug manufacturers, and other insurers will be commenting on their perspectives. Our comments will be limited. In short, we support NAIC's continued efforts to have conversations on the issues contained in the white paper.

The Health Benefits Institute is a group of agents, brokers, insurers, employers, benefit platforms and others seeking to protect the ability of consumers to make their own health care financing choices. We support policies that expand consumer choice and control, promote industry standards, educate consumers on their options and foster high quality health outcomes through transparency in health care prices, quality, and the financing mechanisms used to pay for care.

All sides have something to be unhappy about inside this paper. And while HBI has its own concerns about this draft, we will not be suggesting specific language changes. Instead, we'd like to emphasize that the issues contained in this draft are not an endpoint, but rather a starting point. As highlighted by the paper, the current drug delivery environment is complicated and will only get more so. Recently, the Institute for Clinical and Economic Review reviewed gene therapies for the treatment of hemophilia¹ which are expected to cost as much as \$2.9 million. Financing these costs will require the industry to look at

¹ <https://icer.org/assessment/hemophilia-a-and-b-2022/>

these issues in a different way and will require more work on pharmacy issues by state insurance regulators.

We are asking the committee to treat the white paper as an opening statement on the prescription drug delivery system rather than a valedictory address.

Thank you again for the opportunity to provide public comments. Please do not hesitate to contact me if you have further questions.



Sincerely
Jack Friou