

## FROM THE NAIC CONSUMER REPRESENTATIVES

November 1, 2023

**To: Director Anita Fox, Chair of the Health Insurance and Managed Care (B) Committee**

**RE: Consumer Representatives' Comments on "NAIC White Paper Draft-A Guide to Understanding Pharmacy Benefit Manager and Associated Stakeholder Regulation"**

On behalf of the undersigned Consumer Representatives to the National Association of Insurance Commissioners (NAIC), we voice our strong support of the **NAIC White Paper Draft-A Guide to Understanding Pharmacy Benefit Manager and Associated Stakeholder Regulation** and urge its adoption.

Due to the profound impact pharmacy benefit managers (PBMs) play in the drug pricing and delivery system and on consumer access and affordability of prescription medications, we recommended that such a White Paper be drafted. We appreciate the thoughtful approach the Subgroup has taken over the past two years in soliciting comments from the consumer representatives and interested parties along with learning from states and the various steps they have taken in regulating PBMs and their activities.

While we believe the Subgroup has adequately addressed its charges and has done so in a neutral manner, we are disappointed that the recommendations section was completely removed by the Regulatory Framework Task Force. Nevertheless, we urge the NAIC to move forward with them in the future as you continue to address the issues of PBMs and access and affordability of prescription drugs.

We continue to be surprised by the tone of the debate over consideration of a white paper that merely describes the activities of PBMs and how states are addressing them. **While it is not perfect and there are PBM actions that are very harmful to consumers that were not described, we urge you vote in support of the white paper.**

For our specific recommended changes, please see our June 1, 2023 [comments](#).

We do not believe that the paper is tilted against PBMs, in fact, we made several suggestions that were not included. For example, we could not even get a statement added on the *importance of consumers to receive the prescription drugs prescribed by their provider*. We were also unsuccessful that our suggestions of several PBM practices that directly impact consumers and the state laws that address them were not included. This included the following topics: *a) Utilization management tools; b) Copay accumulator adjustment programs; c) Copay maximizer programs; and d) Alternative Funding Programs*. While we are disappointed that these points were not included in the paper, we still support its finalization.

For any questions, please contact Carl Schmid, HIV+Hepatitis Policy Institute at [cschmid@hivhep.org](mailto:cschmid@hivhep.org).

Thank you very much.

Sincerely,

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