

PBMs: Profiting at the Expense of Patients, Pharmacies & Taxpayers



Multi-billion-dollar corporate middlemen — PBMs — drive up the cost of medicines for their own financial gain. PBMs' shell games have negatively impacted patients, small businesses, local pharmacies, state governments and taxpayers for years.

PBM Market Power and Vertical Integration

3 PBMs
control
nearly
80% of
all U.S.
prescription
drug **claims**.



Three PBMs have established their own Group Purchasing Organizations, or **GPOs**, to negotiate drug prices and contracts, further consolidating their **control**.



PBM-affiliated pharmacies now control 68% of specialty drug dispensing **revenue** and **75%** of mail-order dispensing **revenue**, and these pharmacies have marked up specialty generic drugs by more than **1,000%**.



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PBM ACCOUNTABILITY PROJECT



Impact on Local Pharmacies and Patients Across the Country



PBMs are estimated to pocket **\$100 billion annually** through practices like spread pricing and keeping **rebates** – or savings – for themselves. **42¢ of every \$1 spent** on brand-name drugs now goes to PBMs in the form of rebates and **fees**.

PBM-owned pharmacies made **18 to 109 times** more profit on some drugs compared to community **pharmacies**.



Independently owned pharmacies continue to **struggle** due to PBM practices, with **more than 1,000 independent pharmacies** ultimately closing in 2024, making it harder for Americans to access their medications.

Lawmakers Can Help Hold PBMs Accountable & Lower Costs

PBM-related reforms are projected to save the federal government nearly **\$5 billion**, including:



\$2B

by making sure drug prices reflect what pharmacies really pay ... ensuring that the **cost of medicine is fair for everyone**.



\$719M

by **cutting secret deals** that raise costs in Medicare.



\$1.8B

by requiring PBMs to be transparent about what they charge employers and insurers for medicine – **instead of keeping those prices hidden**.



\$306M

by stopping PBMs from charging extra hidden fees.

Only meaningful reforms can help protect patients, pharmacists and taxpayers from PBM exploitation—and lower out-of-pocket costs and increase access to life-saving medicines. **Learn more at pbmaccountability.org.**