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**Statement by Lora Pellegrini, President and CEO of the Massachusetts Association of Health Plans, regarding PBMs and the need for legislation to address exorbitant prescription drug prices.**

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“The Massachusetts Association of Health Plans and our member plans are committed to providing affordable and equitable health care for all residents of Massachusetts, including comprehensive coverage for prescription drugs. As part of this commitment to affordability, health plans contract with Pharmacy Benefit Managers (PBMs) to negotiate and administer pharmacy benefits in a cost-effective and efficient manner. PBMs are able to aggregate millions of covered lives to drive volume discounts with drug manufacturers. Most private health plans and state government, including our managed care program at MassHealth and the Group Insurance Commission, have contractual relationships with PBMs. Health care cost containment is a shared responsibility, and we support legislation to increase transparency around PBMs and pharmaceutical drug manufacturers.

The prices charged for prescription drugs continue to be the primary threat to our state’s ability to meet the health care cost growth benchmark. Since 2014, prescription drug prices have risen by 33%, 20 times faster than the rate of inflation and outpacing price increases for any other medical commodity or service. Any legislation that will dismantle the functions of PBMs will only serve to drive up costs for employers and consumers. Rather than eliminate the value that PBMs offer, we urge policymakers to seek transparency and accountability to the Health Policy Commission for both PBMs and drug manufacturers.

Keeping health care affordable is the biggest challenge facing all stakeholders in the Commonwealth’s health care system. As employers and consumers continue to struggle with the rising costs of health care, MAHP and our member health plans are strong supporters of legislation that reins in excessive prescription drug prices, while preserving vital health plan cost containment tools, and holds pharmaceutical companies and PBMs to the same transparency and accountability standards currently required for health plans and providers in the Commonwealth.”

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