Dear Senator Grassley, Senator Cantwell, Representative Nadler, and Representative Collins:

The American Academy of Dermatology Association (Academy), which represents more than 13,800 dermatologists nationwide, is pleased to offer its support for S. 1227 / H.R. 2376, the “Prescription Pricing for the People Act,” which is intended to provide more oversight of the role of pharmacy benefit managers (PBMs) in the drug supply chain. Dermatologists diagnose and treat more than 3,000 diseases, including skin cancer, psoriasis, immunologic disease and many genetic disorders. One in four Americans suffers from a skin disease.

The Academy appreciates that S. 1227 / H.R. 2376 would authorize the Federal Trade Commission to study the role and recent merger activity of PBMs in the drug supply chain and provide Congress with appropriate policy recommendations. The Academy strongly supports transparency in the role of PBMs in setting drug prices, so patients, physicians, pharmacists, and employers, including the federal government, know the true cost of prescription drugs.

Consolidation of the industry and current financial arrangements must be monitored to avoid conflict of interest including that which interferes with patient choice of pharmacy. The Academy believes PBMs must disclose how much of the rebates and discounts are passed on to the patient. Further investigation is necessary to determine the extent to which PBM negotiations and arranged rebates affect formularies, tiers, and drug prices.

We understand this is one step in a comprehensive effort to help make medications more affordable for the average American. Dermatologists are committed to providing the most effective and cost-efficient care and therapies to their patients, including those suffering from chronic, disabling conditions that interfere with activities of daily life, and have a substantial impact on their mental health and personal well-being. Dermatology drugs have been disproportionately impacted by rising drug prices. When drugs become cost-prohibitive for patients, they often go without.

The Academy has made patient access to affordable treatments and transparency in drug pricing a top priority. We appreciate your continued leadership in championing patient access issues. Please feel free to contact Christine O’Connor, the Academy’s Associate Director, Congressional Affairs.
Policy at coconnor@aad.org or (202) 609-6330 if you have any questions or if we can provide additional information.

Sincerely,

George J. Hruza, MD MBA FAAD
President, American Academy of Dermatology Association