

**Crapo Statement at Health Care Legislation Markup**  
*July 26, 2023*

**Washington, D.C.**--U.S. Senator Mike Crapo (R-Idaho), Ranking Member of the U.S. Senate Finance Committee, delivered the following remarks at an open executive session to consider *the Modernizing and Ensuring PBM Accountability Act* (MEPA).

*As prepared for delivery:*

“Thank you, Mr. Chairman—and thank you to both you and your staff for the tireless work and collaboration that have made this process so successful.

“In March, when we held a hearing on access gaps and affordability challenges faced by many seniors in Medicare Part D, members across this Committee spoke to the need for concrete and meaningful legislative solutions.

“The following month, we crystallized these calls for action in our bipartisan framework, which created a comprehensive blueprint for modernizing federal prescription drug benefits to increase competition and drive down costs.

“Today, we will take a critical step toward delivering on our commitment to patients and working families by advancing this commonsense, market-driven and fiscally responsible legislation.

“For months, our staff have worked seven days a week to develop and refine the proposals included in this markup, engaging with stakeholders from across the supply chain and senators spanning the entire Committee to build consensus and address a broad range of challenges.

“The resulting bill comprises a strong set of bipartisan, patient-focused proposals aimed at fueling competition, improving transparency, and mitigating misaligned incentives in Medicare Part D and Medicaid.

“Listing every provision would take more time than we have, but I will acknowledge some of the key contributions.

“Thanks to the leadership of Senators Blackburn and Menendez, the legislation would de-link PBM fees from drug prices under Medicare Part D. This will help curb preferences for higher-priced medications.

“I look forward to working with the Chairman in the coming weeks to build on this foundation by preventing prescription drug plans from charging patients based on sticker prices for certain medications, even as these same plans take in deep discounts. For chronic diseases, this distorted and hidden system of post-sale rebates deprives seniors of direct out-of-pocket savings.

“We may need to start small, but the Chairman’s commitment to continuing this crucial work is deserving of recognition. We reiterated this commitment in our recent letter to the Congressional Budget Office.

“From a patient perspective, we also need to do more to ensure pharmacy access, particularly for seniors living in rural areas. When the Chairman and I voted to create Medicare Part D twenty years ago, we did so with an understanding—as codified—that the program would guarantee beneficiaries access to the pharmacy of their choice.

“Oversight and enforcement, however, have fallen short of that promise, forcing far too many community pharmacies to close up shop, depriving Americans of critical frontline health care providers.

“The legislation before us today will help to reverse these problematic trends, including through streamlined quality measures, increased transparency and key policies to discourage patient steering. I thank Senators Thune, Barrasso, Lankford and Blackburn for their ongoing efforts on this front.

“We have also included policies to give patients more control over the Part D regulatory process, thanks to legislation spearheaded by Senators Scott and Warner. Senators Grassley and Carper, for their part, have taken vital steps toward addressing conflicts of interest on pharmacy and therapeutics committees.

“Senators Tillis and Cortez-Masto have proposed empowering plans with the tools and information needed to provide more—and better—choices for seniors.

“Our legislation takes a broad-based, but targeted approach. Senators Lankford and Bennet, for instance, have drafted a provision examining price-linked compensation arrangements across the entire supply chain, and Senators Tillis and Cortez-Masto have advanced a robust set of PBM reporting requirements to increase competition.

“These proposals represent a decisive first step toward reducing costs and enhancing access for American patients.

“As the Chairman and I stated in our recent letter to CBO, we intend to continue to work on a bipartisan basis to incorporate additional policies that will constitute a comprehensive suite of reforms. We have requested CBO budgetary feedback by August 31<sup>st</sup> on proposals that would help to cut out-of-pocket costs, increase pharmacy access and ensuring that seniors benefit from lower-cost biosimilars.

“Senators Lankford, Cornyn, Carper, Blackburn, Menendez, and others across the dais have shown strong leadership on these issues, and their continued partnership will prove essential as we attempt to address perverse incentives that drive costs higher for patients and taxpayers.

“The Chairman and I have agreed that any savings from this markup will serve, in the coming weeks, to assist in reducing beneficiary costs and ensuring access to frontline pharmacy providers. Thank you to the Congressional Budget Office staff for all of their hard work so far on this legislation, as well as their commitment to work on these additional proposals in August.

“While not easy, there is a path to enacting these meaningful results for patients into law if we avoid problematic poison pills that divide senators and work with our House colleagues on next steps, so that the process continues to generate broad bipartisan and bicameral support.

“I again thank the Chairman, and all of the members of this committee, for their hard work and support.”