

March 8, 2023
Oklahoma House
Re: HB2853

Dear Esteemed Members,

We are writing to voice our support for HB2853, requiring Pharmacy Benefit Manager (PBM) rebates to be passed through to patients at the point of sale. This is a topic of critical importance for millions of Sooners living with chronic conditions. Across the board, pharmaceutical rebates for branded drugs average 48%¹ meaning vulnerable citizens are paying nearly twice the price for their lifesaving and life-sustaining medications than their insurance company pays for the same drug. This, despite the fact that these consumers have paid a premium for access to the insurance plan.

The rebates are being kept by the PBMs, who negotiate drug prices and take a cut of each transaction, and insurers themselves who keep the lion's share. Insurers will claim that they are retaining the rebates to keep premiums lower for everyone, but an actuarial study estimates that the increase in premiums would be less than 1% overall², and the fact of the matter is that the sick should not subsidize the healthy. Our most vulnerable populations living with chronic conditions are forced to overpay for their medications, oftentimes leading to rationing resulting in poor health outcomes or more tragic consequences, costing everyone more in both dollars and human suffering.

NAMI (the National Alliance on Mental Illness) Oklahoma and the Patient Pocket Protector Coalition stand together with other patient, provider, and clinical advocacy organizations in support of much needed reform to this practice of overcharging consumers through health plans. Please put Sooners first, supporting people over profit, with a favorable vote on HB2853.

Sincerely,



1. National Bureau of Economic Research working paper 28439 <https://www.nber.org/papers/w28439>
2. Measuring the Impact of Point of Sale Rebates on the Commercial Health Insurance Market, Milliman Report, Klein and Petroske, January 2022 <https://us.milliman.com/en/insight/measuring-impact-point-of-sale-rebates-commercial-health-insurance-market-january-2022>