SINGLE PAYER MYTH BUSTER

THE MYTH

"PBMs (pharmacy benefit managers) help us control costs of drugs."

THE FACT

PBMs are middlemen, and they make drugs cost more, not less. A PBM stands between your insurance company and your pharmacy and keeps a hidden cut of what your medicine costs. National Improved Medicare for All (bill H.R. 3069 in the United States House of Representatives) removes these middlemen. The country bargains directly with drug makers, and you pay nothing at the pharmacy counter.

HOW PBMs WORK TODAY

PBMs are companies that insurance plans hire to manage drug coverage. Here is how they work and how they profit.

1. **Three players fill your prescription.** Your insurance company, the PBM in the middle, and the pharmacy where you pick up your medicine.
2. **The PBM makes the rules.** It decides which drugs are preferred, what you pay for each one, and when you need approval first.
3. **The PBM sets two prices.** It pays the pharmacy one price for a drug, then charges your insurance company a higher price for the same drug.
4. **The PBM keeps the difference.** This hidden gap is not a listed fee. It is built into the contracts.
5. **Nobody else sees both prices.** The insurance company and the pharmacy usually cannot see what the other one is charged or paid.
6. **Big insurers own the biggest PBMs.** The largest PBMs belong to major health insurance companies. This adds to conflicts of interest and to their profits.

WHAT H.R. 3069 WILL DO

- ✓ **Remove the middlemen.** PBMs are eliminated, not just given a few new rules to follow.
- ✓ **Replace many plans with one.** PBMs work for private insurers, large employers, and Medicare drug plans. With one national program, no one is left to hire them.
- ✓ **End what you pay at the pharmacy.** No copays, no deductibles, and no other charges for covered medicines.
- ✓ **Clear away the maze.** The copay levels and approval rules that PBMs designed are no longer needed.
- ✓ **Bargain for the whole country.** The Department of Health and Human Services negotiates prices directly with drug makers.
- ✓ **End secret pricing.** The federal government sets drug prices, replacing the private networks and hidden deals run by PBMs.
- ✓ **Lower drug prices.** PBMs and the price increases they cause disappear. Prices go down.

THE BOTTOM LINE

PBMs do not control drug costs. They add to them. National Improved Medicare for All removes the middlemen, bargains for the whole country, and ends what you pay at the pharmacy. Drug prices go down.

CONTACT US

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Questions, comments, or ready to get involved: email us.