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## American Diabetes Association Presses Congress to Act on Rebate Reform

**ARLINGTON, Va. (September 8, 2023)** – Today, the American Diabetes Association® (ADA) sent a letter to congressional leadership urging action on legislation to increase transparency in prescription drug rebates and prevent pharmacy benefit manager (PBM) practices from inflating the cost of prescription drugs. “Drug middlemen function at the center of the pharmaceutical supply chain and have virtually unparalleled power to affect drug costs, acting as intermediaries between insurers, manufacturers, and pharmacies,” according to the letter. Drug manufacturers often pay PBMs rebates on their drugs in exchange for coverage, limiting patient access to other therapies and driving up the list price of available drugs.

The letter asks congressional leadership to consider a number of proposals as part of a PBM reform package, including:

1. A requirement that PBMs pass through 100 percent of insulin rebates from manufacturers to plans, allowing patients to benefit from lower cost insulin;
2. Drug tiering reforms that would require Medicare Part D plans to cover less expensive generic and biosimilar medications;
3. Rebate reform for diabetes devices like insulin pumps, continuous glucose monitors and supplies; and
4. Limits on “step therapy” practices from health insurers that prevent patients from getting access to the medication their provider prescribes without trying lower-cost—and potentially ineffective—options first.

The House and Senate have been working on bipartisan drug pricing legislation this year that would reduce the cost of insulin and other prescription drugs, namely by reforming the prescription drug rebate system and improving price transparency across the health care system.

### About the American Diabetes Association

The American Diabetes Association (ADA) is the nation’s leading voluntary health organization fighting to bend the curve on the diabetes epidemic and help people living with diabetes thrive. For 83 years, the ADA has driven discovery and research to treat, manage, and prevent diabetes while working relentlessly for a cure. Through advocacy, program development, and education we aim to improve the quality of life for the over 133 million Americans living with diabetes or



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