

Calendar No. 42

119TH CONGRESS
1ST SESSION

S. 527

To require the Federal Trade Commission to study the role of intermediaries in the pharmaceutical supply chain and provide Congress with appropriate policy recommendations, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 11, 2025

Mr. GRASSLEY (for himself, Ms. CANTWELL, Mr. MARSHALL, Mr. WELCH, Mr. TUBERVILLE, Mr. COONS, Mr. TILLIS, Mr. BLUMENTHAL, Mrs. CAPITO, Ms. HIRONO, Mr. LANKFORD, Mr. BOOZMAN, and Mrs. BLACKBURN) introduced the following bill; which was read twice and referred to the Committee on the Judiciary

APRIL 10, 2025

Reported by Mr. GRASSLEY, without amendment

A BILL

To require the Federal Trade Commission to study the role of intermediaries in the pharmaceutical supply chain and provide Congress with appropriate policy recommendations, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Prescription Pricing
3 for the People Act of 2025”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act:

6 (1) **APPROPRIATE COMMITTEES OF CON-**
7 **GRESS.**—The term “appropriate committees of Con-
8 gress” means—

9 (A) the Committee on the Judiciary of the
10 Senate; and

11 (B) the Committee on the Judiciary of the
12 House of Representatives.

13 (2) **COMMISSION.**—The term “Commission”
14 means the Federal Trade Commission.

15 **SEC. 3. STUDY OF PHARMACEUTICAL SUPPLY CHAIN**
16 **INTERMEDIARIES AND MERGER ACTIVITY.**

17 (a) **REPORT.**—Not later than 1 year after the date
18 of enactment of this Act, the Commission shall submit to
19 the appropriate committees of Congress a report that—

20 (1) addresses at minimum—

21 (A) whether pharmacy benefit managers—

22 (i) charge payers a higher price than
23 the reimbursement rate at which the phar-
24 macy benefit managers reimburse phar-
25 macies owned by the pharmacy benefit

1 manager and pharmacies not owned by the
2 pharmacy benefit manager;

3 (ii) steer patients for competitive ad-
4 vantage to any pharmacy, including a re-
5 tail, mail-order, or any other type of phar-
6 macy, in which the pharmacy benefit man-
7 agers have an ownership interest;

8 (iii) audit or review proprietary data,
9 including acquisition costs, patient infor-
10 mation, or dispensing information, of phar-
11 macies not owned by the pharmacy benefit
12 manager and use such proprietary data to
13 increase revenue or market share for com-
14 petitive advantage; or

15 (iv) use formulary designs to increase
16 the market share of higher cost prescrip-
17 tion drugs or depress the market share of
18 lower cost prescription drugs (each net of
19 rebates and discounts);

20 (B) trends or observations on the state of
21 competition in the healthcare supply chain, par-
22 ticularly with regard to intermediaries and their
23 integration with other intermediaries, suppliers,
24 or payers of prescription drug benefits;

1 (C) how companies and payers assess the
2 benefits, costs, and risks of contracting with
3 intermediaries, including pharmacy services ad-
4 ministrative organizations, and whether more
5 information about the roles of intermediaries
6 should be available to consumers and payers;

7 (D) whether there are any specific legal or
8 regulatory obstacles the Commission currently
9 faces in enforcing the antitrust and consumer
10 protection laws in the pharmaceutical supply
11 chain, including the pharmacy benefit manager
12 marketplace and pharmacy services administra-
13 tive organizations; and

14 (E) whether there are any specific legal or
15 regulatory obstacles that contribute to the cost
16 of prescription drug prices; and

17 (2) provides—

18 (A) observations or conclusions drawn
19 from the November 2017 roundtable entitled
20 “Understanding Competition in Prescription
21 Drug Markets: Entry and Supply Chain Dy-
22 namics” and any similar efforts;

23 (B) specific actions the Commission in-
24 tends to take as a result of the November 2017
25 roundtable, and any similar efforts, including a

1 detailed description of relevant forthcoming ac-
2 tions, additional research or roundtable discus-
3 sions, consumer education efforts, or enforce-
4 ment actions; and

5 (C) policy or legislative recommendations
6 to—

7 (i) improve transparency and competi-
8 tion in the pharmaceutical supply chain;

9 (ii) prevent and deter anticompetitive
10 behavior in the pharmaceutical supply
11 chain; and

12 (iii) best ensure that consumers ben-
13 efit from any cost savings or efficiencies
14 that may result from mergers and consoli-
15 dations.

16 (b) INTERIM REPORT.—Not later than 180 days
17 after the date of enactment of this Act, the Commission
18 shall submit to the appropriate committees of Congress
19 an interim report on the progress of the report required
20 by subsection (a), along with preliminary findings and
21 conclusions based on information collected to that date.

22 **SEC. 4. REPORT.**

23 The Commission shall submit to the appropriate com-
24 mittees of Congress a report that includes—

1 (1) the number and nature of complaints re-
2 ceived by the Commission relating to an allegation
3 of anticompetitive conduct by a manufacturer of a
4 sole-source drug;

5 (2) the ability of the Commission to bring an
6 enforcement action against a manufacturer of a sole-
7 source drug; and

8 (3) policy or legislative recommendations to
9 strengthen enforcement actions relating to anti-
10 competitive behavior.

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