



Sept. 29, 2026

The Honorable Ron Stephens, Chair
House Study Committee on Pharmacy Benefits Managers and Consumers' Access to Prescription Medications

Dear Chairman Stephens and Members of the Study Committee:

On behalf of Georgia Life Sciences, thank you for examining how prescription drug policies affect patients, employers, healthcare providers, and Georgia's life sciences community.

Georgia Life Sciences is the statewide industry association representing Georgia's life sciences sector, bringing together biopharmaceutical, medical technology, digital health, research, academic, healthcare, and other organizations working to advance life sciences innovation and improve patient health.

We believe prescription drug policy should support patient access and affordability while preserving the innovation that produces new treatments. As the Committee considers pharmacy benefit manager (PBM) practices and related issues involving the federal 340B Drug Pricing Program, we encourage policymakers to keep one fundamental question at the center of the discussion: **Are savings generated within the prescription drug system reaching the Georgians these programs are intended to serve?**

PBMs play a significant role in determining which medicines are covered, what patients pay, and where patients can fill their prescriptions. Yet employers, plan sponsors, patients, and policymakers often lack a complete view of the rebates, fees, and other payments that flow through the system.

Georgia should pursue greater transparency into PBM compensation and business practices, including rebates, administrative fees, spread pricing, and financial arrangements involving affiliated pharmacies. Policymakers should also have sufficient information to understand whether these arrangements influence formulary placement, utilization management, or other coverage decisions in ways that affect patient access or increase patients' out-of-pocket costs.

Transparency should be accompanied by meaningful accountability. We encourage the Committee to examine policies addressing spread pricing in state-funded plans, transparency around PBM compensation and the services for which PBMs are paid, and practices that steer patients toward PBM-affiliated pharmacies. Most importantly, patients should see meaningful benefit from savings negotiated on their behalf, including through lower out-of-pocket prescription costs, and coverage decisions should appropriately reflect clinical need.

Georgia should bring the same commitment to transparency to the 340B Drug Pricing Program. Georgia Life Sciences recognizes that 340B discounts can provide important resources to safety-net providers serving patients with significant needs, including Georgians in rural and underserved communities. At the same time, policymakers and the public should have greater visibility into how the program operates and how its benefits reach the patients and communities it is intended to support.

Georgia Life Sciences has previously raised questions about the geographic distribution of 340B contract pharmacies in Georgia and the role of PBM-affiliated pharmacies and other intermediaries in 340B arrangements. These issues warrant careful examination based on data and transparency rather than assumptions about every participating provider.

We encourage the Committee to consider practical reporting requirements, consistent with federal law, that provide greater visibility into 340B savings and how those resources support care for underserved patients; financial arrangements with contract pharmacies and other intermediaries; and whether and how patients



receive direct assistance with prescription costs. Any reporting framework should be standardized, protect patient privacy and legitimately confidential information, and recognize the differing resources and administrative capacity of rural hospitals and smaller safety-net providers.

PBM and 340B policies do not operate in isolation. Prescription drugs move through an increasingly complex system involving manufacturers, insurers, PBMs, pharmacies, providers, and other intermediaries. Without sufficient visibility into that system, policymakers cannot fully understand where savings accrue, where costs are added, or how those financial arrangements ultimately affect patients.

As the Committee develops its recommendations, we encourage Georgia to prioritize **transparency, independent oversight, patient access, and measurable patient benefit**. These principles can help ensure that prescription drug policy works as intended while supporting a healthcare and life sciences environment that continues to deliver new treatments to patients who need them.

Georgia Life Sciences appreciates the Committee's work and welcomes the opportunity to serve as a resource as you develop recommendations for the General Assembly.

Sincerely,

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