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Federal Trade Commission  
WASHINGTON, D.C. 20580

Office of the Chair

**Remarks of Chair Lina M. Khan  
American Economic Liberties Project and the  
National Community Pharmacists Association  
How Pharmacy Benefit Managers Impact Drug Prices,  
Communities, and Patients**

**June 22, 2022**

Thank you to the American Economic Liberties Project and the National Community Pharmacists Association for organizing this important event. Thank you to Senator Brown and Representative Carter for your unrelenting efforts to shed light on the problems in these markets, and thank you to all the patient advocates and medical professionals for sharing your thoughts and expertise to help me and the FTC fully grasp the business practices we're seeing and their effects.

Pharmacy benefit managers ("PBMs") and other intermediaries now play a critical role that have enormous consequences on people's day-to-day lives. Their decisions help to determine which medicines are prescribed, which pharmacies patients can use, and the prices that patients ultimately pay at the pharmacy counter. They also can determine whether independent pharmacies can compete and thrive, which—given the key role that community pharmacies play in providing efficient and affordable access—is critical.

Not only does the PBM industry play a central role in determining which medicines and pharmacies we can access and at what price, the market in which they operate is also extremely opaque and complex. This combination—of, on the one hand wielding extraordinary influence that can have life-and-death consequences, and, on the other, of being extraordinarily opaque and complex, is a combination that's always worth scrutinizing.

As the FTC has sought to update its understanding of this important market, we've been aided by many people in the patient





at all levels of government. We've certainly benefited from your active engagement at the FTC, for which I'm very grateful, and I'm hopeful that together we'll be able to make real progress.

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