

#### **Senate Finance Committee**

Drug Pricing in America: A Prescription for Change, Part III
April 9, 2019
10:15 AM, 215 Dirksen

# <u>Purpose</u>

The purpose of this hearing was to hear from top executives of pharmacy benefit managers (PBMs) regarding the issue of drug pricing.

### **Members Present**

Chairman Grassley, Ranking Member Wyden, Senators Cornyn, Stabenow, Cantwell, Cassidy, Brown, Hassan, Cortez-Masto, Young, Thune, Portman, Cardin, Menendez, Lankford, Carper, Casey, and Whitehouse

# **Witnesses**

**Dr. Steve Miller,** Executive Vice President and Chief Clinical Officer, Cigna Corporation

Mr. Derica Rice, Executive Vice President and President, CVS Health and CVS Caremark

Dr. William Fleming, Segment President, Healthcare Services, Humana Inc.

Mr. John Prince, Chief Executive Officer, OptumRx

**Mr. Mike Kolar,** Interim President & CEO, Senior Vice President And General Counsel, Prime Therapeutics LLC

# **Opening Statements**

Chairman Grassley said that PBMs are entities that negotiate with drug companies as well as pharmacies to arrive at a price for a drug and its ultimate cost. This system of private entities negotiating is what he envisioned as an author of Part D program of Medicare. He opposes any effort to undo the non-interference clause in the statute, but it is the duty of the committee to understand how the system works and what can be done to improve it. Despite this influence, many consumers understand the workings of PBMs. They report rebates to Medicare and Medicaid services, but statutes restrict what can be done with that information, and more transparency is needed. More needs to be done to understand their motives and practices. He and Senator Wyden are investigating how this relates to insulin, which will help determine whether they are focused on patients or their own bottom lines. It is important to look at whether integration and big mergers actually help consumers or whether they just create more barriers to competition. He looks forward to hearing from the witnesses and listening to what they have to say, and working with committee members and Ranking Member Wyden in a bipartisan way.

Ranking Member Wyden said that he is committed to continuing this effort in a bipartisan manner to end "price gauging;" he noted that the committee has already begun (last week) to pass bipartisan legislation to stop pharmaceutical company attacks on Medicaid and taxpayers. PBMs are among the most profitable companies in America, but what they do to rake in all these profits is a mystery. PBMs are supposed to be negotiators to lower costs of prescription drugs in a meaningful way, but they make more money when they pick a higher priced drug over a lower priced one. Congress needs to assess whether PBMs add



any real value to American taxpayers and this process. He noted that PBMs guard their operations with so much secrecy, and that spread pricing is as clear a "middleman rip-off as you'll find." He said that he introduced the Rx cap to help protect seniors from paying more and more for their medicine, and noted that rebates are working against the seniors that need them the most. He continues to be concerned that the Administration is unprepared to take the next steps to reign in the pharmaceutical companies and bring down list prices. He concluded that there is a need to move with urgency, and that 2019 will be the year to get this done in a bipartisan way, and attack spread pricing within Medicaid.

#### Testimony

**Dr. Miller** used to serve as SVP and CMO at ExpressScripts from 2005-2018. He is a kidney doctor by training and works in this industry by choice, and affects the health of over 100 million Americans. He has seen cancer treatment evolved increasingly to become prescription drug treatment before surgery. He noted that innovation in this sector often comes with a high price tag. Cigna is committed to providing both life-changing care and price stability. These world-class capabilities enhance clinical quality and provide increased access to all kinds of patient-care services and ensure the coordination of care. His clients are advanced and informed purchasers that demand innovation and value on a daily basis. They develop specialized medicines and pharmacies, and negotiate discounts so that they can be accessed by everyone. He gave the example of Hepatitis C of a few years ago, and solved it by driving competition and guaranteeing adherence. With the Cigna and ExpressScripts merger, the organizations vowed to improve choice, affordability, and predictability.

**Mr. Rice** said that his mission is to make healthcare more accessible and affordable, and improve healthcare outcomes for all communities, including reducing consumer out of pocket costs for every community in America. Never has their work been more important than today. This is a critical issue for everyone in the nation. PBMs reduce costs and improve health outcomes, but can and must do more to deliver critical care and drive down prices at the pharmacy counter. Some of the new innovative tools include point of sale rebates at the pharmacy counter, particularly during the deductible phase. Almost 10 million client members are involved in these savings plans. They provide \$0 copays for preventative medications for chronic conditions to their employees, and encourage clients to do the same. They recently announced their guarantee net-cost pricing model, a new pricing option for retail, mail, and specialty drug products regardless of product or price inflation. They support FDA efforts to bring in lower-cost options and to bring more competition options to the market faster, and lower the out-of-pocket costs for seniors, as expanded upon in his written testimony.

**Mr. Fleming** leads Humana's pharmacy, home health, and behavioral health programs, which also provide Medicare part D program benefits to 8.4 million seniors. He appreciates the efforts being put forth by the committee to further examine integrated health plans. Humana's efforts have not just been on the negotiations side, but also on patient engagement programs. He referenced "Intelligent Rx" which provides actionable information to doctors at the time of prescribing. However, there is no denying the rising



tide of high-cost specialty drugs affecting taxpayers and seniors. Only 2% of members use specialty drugs, but it accounts for 36% of their Part D spending. He is encouraged by CMS's announcement last Friday, and looks forward to continuing to work with them and HHS to address and identify additional opportunities to creating sustainability and competition. But the rebate rule does not solve the unaffordability problem. He encouraged the committee to research policy ideas to place limits on out of pocket costs, as well as other measures.

**Mr. Prince** introduced his company, OptumRx, as a network of pharmacists and pharmacy technicians that assist patients to take their medication, avoid harmful drug interactions, and manage their chronic conditions. They serve behavioral health centers, include an opioid program, increase medication adherence, and constantly work to improve consumer health at the lowest possible costs. They have a pharmacy and therapeutics committee which examine the drug's efficacy, etc., where the issue of cost comes later. The meetings are open and transparent to all customers. About 90% of prescription claims they administer are generics, biologics, etc., and approximately 98% of the discounts they negotiate are administered to their clients. However, issues still persist, including the fact that less than 2% of their patients take specialty drugs, but this will be half of total drug spending by 2022. And, manufacturers are increasing list and net pricing at unsustainable rates, due to a lack of meaningful competition.

**Mr. Kolar** said that the primary goal of his organization is to help consumers feel better, and live well, by matching them with the best possible medication that is the most cost-effective within the context of their overall healthcare plan. Prime is a unique PBM, as it is owned and controlled by 18 not for profit blue-plan clients, driven by savings and not margins. He believes that PBMs are misunderstood as transactional middlemen, which undervalues their true purpose. It is important to acknowledge their clinical expertise and commitment to transparency. Prime's model encompasses full client transparency, which can ultimately improve the healthcare system and lower costs. Rebates have been a key area of focus in the drug cost debates. To Prime, they are a powerful tool, but are set by pharmaceutical companies and them alone. They are key to mitigating high prices, not causing them. He appreciates the committee's interest in Prime's perspective on these issues, and the role they play in lowering costs and promoting innovative policy solutions.

### **Ouestions and Answers**

**Chairman Grassley** said that all agree that seniors are sensitive to premium prices, and asked that when price negotiations with plans occur, is a premium impact for beneficiaries considered? **Mr. Rice** said yes. **Mr. Prince** said they focus on the lowest net cost for that drug when they negotiate. The consumers are taken into consideration. **Mr. Miller** said most definitely. **Chairman Grassley** asked, without rebates, what tools do they have to keep drug prices and drug premiums low? **Mr. Rice** said that they use a number of different tools, including point of sell rebates when negotiating with manufacturers, which provide benefits to the consumers at the counter; provide formulary and clinical program management which improves adherence for members, provide "real time" benefits to bring visibility to clinicians and physicians as well as patients; **Mr. Prince** said that they save



clients an average of \$1600 per person, which helps negotiate better prices for consumers, among other types of drug utilization review, but removing rebates would actually take a lot of value out of the system and increase costs. Mr. Miller said they do much of the same. but prefer generics. He also mentioned the coordination of care, and helping patients identify gaps in care to achieve the intended medical benefits to be able to make sure the drugs are working appropriately. **Chairman Grassley** asked about consolidation, including the recent integration of PBMs with insurance companies, noting that such market power raises questions; he asked each witness where the PBM industry is competitive, if there were high barriers to entry, or new competitors. **Dr. Miller** said the consolidation is for the betterment of patient care to examine total cost of medical care across industry sectors; he said this is a "wildly competitive" marketplace with over 60 players, and people buy based on their needs (sometimes choosing a regional or local player) and there is plenty of selection involved. **Mr. Rice** said that this is a highly competitive space, and we have seen that play out in trying to get the lowest possible cost for their members. Mr. Prince said that every time they go out to a bid, there are at least 3-5 other competitors in the market, and noted that their clients are really sophisticated in their analysis, including outside advisors; it is a very competitive market with lots of pricing pressure.

Ranking Member Wyden said what he hears most from his constituents is how the odds are stacked against them, and asked to use some real world examples to examine how PBMs bring prices down and fight for the consumer: in the case of a common cholesterol drug, with a generic being produced at 60% less, he asked Mr. Rice about barriers included on the CVS forms that prevent the cheaper option from ultimately being chosen. Mr. Rice said that the lowest or highest list price drug may not be the highest or lowest cost price drug after all discounts are taken into account. Ranking Member Wyden said that with that answer, is looks like PBMs are taking deliberate action to pad their bottom line at the expense of patients. He then asked Mr. Prince if he has any agreement with drug manufacturers similar to the United letter he referenced that penalizes them if they choose to lower their prices. Mr. Prince said that situations like that letter occur when entering bids so that the clients would know their exact rebate amounts, and his company strongly supports any lowering of list prices.

Senator Cornyn asked all witnesses if their companies structure agreements where rebates and fees are a percentage of list price. All answered yes, besides Mr. Prince who said no. Senator Cornyn asked if each company has proposed in a contract or otherwise prohibited or penalized a manufacturer from decreasing the price of a drug. All answered no. Senator Cornyn asked if each company has proposed in a contract or otherwise demanded that manufacturers give advance notice of a price decrease. All answered no, besides Mr. Prince who said yes. Senator Cornyn asked if each company has proposed in a contract or otherwise demanded that manufacturers pay a higher fee or rebate if list prices do not increase above a certain percentage in that contract year. All answered no. Senator Cornyn asked if each company proposed in a contract or otherwise demanded that manufacturers pay a certain rebate amount even if they decrease their list price. Mr. Miller said yes. Mr. Rice said no. Mr. Fleming said no. Mr. Price said yes. Mr. Kolar said no. Senator Cornyn asked to hear from each of the witnesses, to be submitted for the



record, the total dollar amount that they obtain from pharmaceutical manufacturers in any form, such as rebates, fees, etc. and the total dollar amount that they remit to health plans.

**Senator Stabenow** referenced the Lowest Price Act, and the concerns brought to her by Michigan pharmacists last year of instances in which consumers would have actually been able to pay less with cash out of pocket than with their insurance copays, but the pharmacists were not allowed to inform them to do so. She asked if the volume of customers served allows for lower prices due to bulk purchasing, why the VA, who has its own PBM program, who serve only 9 million people, pay on average 40% less for the same drugs than the rest of the health care system. **Dr. Miller** said that is comes down to a matter of choice, and the VA limits the options more than any of the witnesses present. **Mr. Rice** said that when they are able to manage formularies more tightly, they can actually drive lower costs for the patients as well as the costs of the plans. He said that he supports choice and optionality.

**Senator Cantwell** said the one of the central themes of the day is lack of transparency; she asked, rhetorically, why we cannot induce more competition into this marketplace by allowing states to negotiate on behalf of various plans within their state, and encouraged the committee to coordinate with HHS Secretary Azar further.

**Senator Cassidy** referenced a chart entitled "PBM Retained Revenue on Retail Prescription Drugs by Source and Share of Net Spending for Retail Prescription Drug Coverage, 2012-2016;" he asked the witnesses if, when they say the drug costs are remaining flat, that is including any fees, or if it is merely the price of the medication itself. **Mr. Rice** said that it is all inclusive, passing off all rebates and fees on behalf of their clients. **Senator Cassidy** asked ExpressScripts about a prior practice he witnessed at a PBM site about refilling pill bottles and sending them to consumers and selling them at higher rates. **Mr. Miller** responded that often they can only buy the largest quantity, and so they sometimes transfer the product into smaller containers, but the NDC does not change and neither does the price.

Senator Brown mentioned that there is a severe lack of trust between Ohio taxpayers and pharmacists and drug companies, and he doesn't blame them; he recognized the efforts of the witnesses to begin to rebuild those relationships but asked them to work harder and faster to think differently about their businesses in an effort to benefit consumers the same way they think about their clients and shareholders. He asked if any of the companies play a role in setting the list prices of any drugs. All witnesses answered no. Senator Brown asked if the Administration's rebate rule was finalized as it is proposed, would PBMs in some way be required to change the way in which you do business. All witnesses answered yes. Senator Brown asked if the Administration's rebate rule was finalized as it is proposed, do the witnesses believe any pharma-company would be required to change the way it does business. All witnesses answered no. Senator Brown asked what percentage of prescriptions that the companies fill across Part D actually receive a rebate. Mr. Kolar said 8%. Mr. Prince said about 7%. Mr. Fleming said 7 to 8%. Mr. Rice said he did not know, but they pass through 100% of all rebates and discounts. Mr. Miller said



about 7 or 8%. **Senator Brown** concluded that the Administration proposal then would not meaningfully address the bulk of prescription drug costs, and referenced his own proposal to have Medicare be able to negotiate on behalf of all Part D drugs and to prevent manufacturers from price-gouging. He asked what more the PBMs can do and what more Congress can do to ensure the US develops a robust bio-similar market. **Mr. Miller** said that the central problem is the lack of biosimilars that have been able to enter the market; the FDA has approved several, but they are caught up in legal action; shortening the period of exclusivity would make a huge difference. **Mr. Rice** also mentioned that they are very much in support of introducing the generics into the market, and in the past have taken strong advantage of this and have been able to lower out-of-pocket payments of consumers by 9%. **Mr. Fleming** said they need more competition, and they do like biosimilars. **Mr. Prince** concurred, and suggested major reforms in the FDA. **Mr. Kolar** said that one of the biggest barriers to biosimilar uptake is the FDA guidelines, but stated that they are also very supportive of their entry into the market and it helps with driving down prices.

**Senator Hassan** emphasized the need to be able to examine this problem from all sides, and said she understood the variety of stakeholders and factors at play. After hearing from a concerned constituent this week, not for the first time, she asked Mr. Prince how the consumer ends up paying the higher copay price for the non-generic drug, even though sometimes, as the witnesses have claimed, it can be the cheaper option overall. **Mr. Prince** said they will be expanding that program where the consumers get all of the benefit of any point-of-sale discount the company gets, but said it is a rare case for him where the brand is actually lower in cost. **Senator Hassan** said she wants to join Chairman Grassley in ongoing conversations with the FTC in order to further examine competition in the industry and impact on drug prices. She asked each of the witnesses for their cooperation in working with the FTC as they gather information and conduct their investigations. **All witnesses answered that they would.** 

**Senator Daines** discussed how much of an issue this has become in his home state of Montana. There is currently a bill being brought in front of the state legislature that specifically holds PBMs accountable and transfers all profits back to the consumers. He wants to find innovative legislative ways to increase transparency on drug pricing and lower cost for patients. **Senator Daines** asked why the panel is pushing back so hard against the Montana legislation, and efforts in DC as well to increase transparency. **Mr. Rice** responded that he is not familiar with that specific piece of legislation, but absolutely supports the idea of transparency overall, and provides 100% visibility to clients. **Senator Daines** talked about the letter Optum sent to drug makers in December asking for 7 quarters of advance notice if manufacturers are going to lower prices for patients, which may have prevented Montanans from receiving their cholesterol medication at 60% less. He asked Mr. Prince about the nearly 2-year period pre-request. **Mr. Prince** said that is was a logistical legal matter about having all of the appropriate information submitted for correct bids.

**Senator Cortez-Masto** discussed contracts point of sale rebates, and if the witnesses keep any portion of those savings for themselves. **All witnesses answered no.** The Senator



asked Mr. Fleming about the Administration rebate rule, and Humana's figure that 17% of beneficiaries would see savings at the counter; she asked him to describe these people and the kind of conditions they have. **Mr. Fleming** answered that it can range from specialty drugs to common chronic conditions, and anyone that needs to take the brand-name drugs for all kinds of treatments. Senator Cortez Masto asked all of the witnesses if they would be willing to support or remain neutral on giving the HHS Secretary the ability to negotiate prices for the sub-section of drugs for therapies for which there is no therapeutic alternative. Mr. Kolar responded that while he would welcome the Secretary's involvement, the PBMs bring the clinical and pharmaceutical expertise to directly negotiate with manufacturers, but would still want to study the issue more closely. His perspective overall is that government entities would need a lot of improvement in order to match the already existing negotiations by PBMs. Mr. Prince and Mr. Fleming responded that their view is that they need more competition and biosimilars, and higher list prices initially to offset what the manufacturers would have to give up. **Mr. Rice** responded that before they go down that path the Senator mentioned, they should exhaust all other pre-existing possibilities, primarily competition. Mr. Miller concurred. Senator Cortez Masto asked if the witnesses use price and efficacy based evidence in negotiations with drug companies, and asked how effective it is. Mr. Prince answered that yes, they do, starting with independent pharmacists and physicians to see if it goes into the formulary, and determine the overall and relative effectiveness.

Senator Young asked the witnesses whether making all transactions and communications of the PBMs (with manufacturers, stakeholders, companies, etc.) public and transparent would have an effect on pricing. Dr. Miller testified that the ability of competitors not knowing each other's date provides for enhanced competition, as opposed to providing a floor or ceiling price, although he said he is in favor overall of transparency especially as it related to people purchasing care. Mr. Rice and Mr. Fleming responded similarly. Mr. Prince responded that if their discounts were made public, it would hurt their ability to negotiate effectively, but the discounts are transparent for their clients, and include audit rights. Mr. Kolar said he believes in actionable and patient transparency, but shares similar concerns with the other witnesses. Senator Young asked if there is a way to inject transparency into the entire system without giving proprietary information away. Mr. Miller said that tools like real-time benefits checks are excellent ways to do just that and offer transparency to doctors and patients when choosing the best drug, and the lowest-cost means.

**Senator Thune** discussed the idea from Mr. Kolar's and Mr. Prince's testimonies for PBMs to consider clinical value and efficacy first when setting formularies as opposed to price and rebates which can exclude cheaper or generic options. He asked the panelists if they all take the same approach to negotiation and determine the clinical value when making decisions. **Mr. Kolar** said they assess on competition and a lowest net cost basis, and consider the costs of patient transitions when making formulary recommendations. **Senator Thune** asked if everyone follows a similar model. **Mr. Rice** said yes, and this brings down health care costs.



**Senator Portman** said that PBMs have a role in bringing more transparency to the market and lowering costs. He continued to ask Mr. Rice why his company is accused of withholding savings from the Ohio Medicaid Program and failing to disclose certain rebates that are contractually supposed to be passed on to beneficiaries. **Mr. Rice** responded that CVS has saved the State \$145 million, and that CVS provides independent pharmacies far greater reimbursements than other major chains. **Mr. Prince** also stated that he thought his company followed through on its contractual obligations in Ohio. Also, OptumRx passes along 100% of the rebates in Medicare and Medicaid. **Senator Portman** said that PBMs play an important role in encouraging lower cost alternatives.

**Senator Cardin** focused on the PBMs' relationships with the public and their responsibility to those that they serve. According to the FDA, there are approximately 270 drugs that are currently in shortage. He asked why haven't the witnesses done something to ensure that these cheap, lifesaving drugs that are not hard to produce are made and not overlooked for profit reasons. Dr. Miller responded that the vast majority of the shortages in the last few years have been in-hospital drugs, and not the outpatient ones they negotiate for as PBMs. The biggest problem they have had in the United States are when there is a single-source manufacturer, but they try and use their predictive data models to determine which are going to become in short supply, and Dr. Gottlieb at the FDA is prioritizing those reviews to make sure shortages become fewer and fewer. **Senator Cardin** asked why don't they use the same bargaining power and negotiations with pharmaceutical companies and apply that same idea of "market forces" to solve these drug shortages problems today. Mr. Rice said the main solution is competition and introducing more generics into the market, as most of the drug shortages have actually been for generics. **Senator Cardin** responded that he cannot accept that response because PBMs are a major factor in the pharmaceutical delivery system. They help determine their financial success and have leverage over them; if you PBMs have a meaningful role in this process, use their role to address this issue.

**Senator Menendez** said that either the witnesses come to the table with real solutions to help patients, or they will find a legislative response that they don't care for. There are widespread reports that PBMs engage in spread pricing, especially for generic drugs. He asked if any of the witnesses ever engaged in that practice. **Mr. Miller and Mr. Rice** answered yes in part. **Dr. Fleming and Mr. Prince** said that for the Medicare and Part D programs, absolutely not. **Mr. Kolar** said no. **Senator Menendez** asked about the difference between rebates they negotiate from pharmaceutical companies and the separate administrative fees that they charge the same companies. **Mr. Prince** said that, in the Medicare program, they only collect a fixed rebate, and do not have administrative fees for the Medicaid or Medicare markets, but they do in the commercial, for clinical services. **Senator Menendez** asked when a company lowers their list price, how long it takes for the patient at the pharmacy counter to see those savings. **All witnesses** said they prefer the lower list prices, and want to see that translated into the lower prices for consumers, and examine it by the "net cost" method.

**Senator Carper** said that one thing he likes to do on a panel is find consensus; he cited several areas of agreement among the witnesses, and asked them to elaborate on the



fourth: putting a cap on patients' out of pocket drug costs. He asked them to each comment on that. **All panelists** responded that that is a worthwhile idea and investment as part of Part D, especially targeted caps, but that the manufacturers also need to cooperate and participate.

**Senator Casey** noted that everyone is impacted by the skyrocketing costs of prescription drugs, especially because of stagnant wages over the last four decades. There has to be a sense of urgency from PBMs and manufacturers to get something done. Their help is needed to combat all kinds of cuts, especially those just brought forth by the Administration, and protect Medicare and Medicaid. Similarly to Senator Menendez, **Senator Casey** asked about the use of spread pricing, and if the companies do not engage in it, to explain why not. **Dr. Miller** said that in limited cases, they do engage in spread pricing, as that is one of the options available to consumers. **Mr. Rice** said the same. **Dr. Fleming** said that they are in a fully graded health care plan, so for their Medicare, Medicaid, and fully-insured commercial patients, they do not use it. But for the self-funded clients it is their choice and available to them. **Mr. Prince** said not for Medicare but for the rest, payment for services is client choice. **Mr. Kolar** said no.

Senator Whitehouse asked if the PBMs are the most formidable force that the pharmaceutical industry faces in terms of bringing their prices down. Mr. Kolar said that competition is the other major driving force. Senator Whitehouse said that lobbying costs amount to over \$220 million in one year from the pharmaceutical industry, and the U.S. spends \$480 billion each year on drugs, of which \$323 billion goes to the pharmaceutical industry and the other \$23 billion goes to PBMs. He asked if PBMs decide where the rebate goes when they send it through to the client All the witnesses said no. Senator Whitehouse asked if some of the panelists have state Medicaid programs as clients. All the witnesses said yes. Senator Whitehouse asked if any state Medicaid program can look at their books as a client. All the witnesses said yes. Senator Whitehouse asked if the witnesses support or oppose the legislation that would give MedPAC or MACPAC the ability to examine your business model and report back to Congress. All the witnesses said yes, besides Mr. Fleming who said he was neutral.

**Senator Lankford** asked if anyone had an issue with what the Administration has put out so far as a recommendation of how to deal with a point of sale effort for DIRs. **Mr. Miller** doubts this mechanism will be successful but supports the sentiment; he thinks it shifts costs to the taxpayers, and complicates the negotiating power to lower prices, but there are more targeted ways to achieve these solutions. **Mr. Rice** concurred that they agree with the Administration's goal of reducing out of pocket costs to seniors and healthcare overall but are concerned with a few elements that they think would drive the costs higher, not lower. **Senator Lankford** said that he has had lots of independent pharmacies come to him with particularly large requirements for a DIR fee for clawbacks, followed by a phone call from PBMs a couple weeks later asking to sell back to them after receiving a big check. He asked if the witnesses had ever worked with a manufacturer negotiated for a higher list price on a drug to get more flexibility on the rebate side. **All witnesses answered no.** 



**Ranking Member Wyden** said that every sector of the American healthcare system has to bring greater value and lower prices, and get beyond the blame game. He asked if the witnesses would oppose a ban on spread pricing. **All witnesses** answered no, besides **Mr. Prince** who said he was neutral. **Ranking Member Wyden** concluded by saying he hopes everyone will ultimately be in agreement and that the drug companies, insurers, and middlemen will all band together to protect taxpayers.