

-Statement to Kaiser Health News from Greg Lopes, a spokesperson for the Pharmaceutical Care Management Association, in response to California's entry into the generic drug market in partnership with nonprofit drugmaker Civica Rx.

"Any assertion that pharmacy benefit companies are somehow to blame for rising insulin prices is just not true. Recent price cuts on insulin clearly demonstrate that drug companies have the full ability and discretion to set, increase or lower their prices. And we applaud any move to lower high drug prices, recognizing that these are the root cause of gaps in prescription drug affordability, including for insulins.

In addition, the savings pharmacy benefit companies negotiate with drug companies are used to either lower health insurance premiums or prices at the pharmacy counter, usually a combination of both. In fact, the congressional watchdog Government Accountability Office found that 99.6 percent of the rebates pharmacy benefit companies negotiate with drug companies are used to lower patient costs. As a result, average [out-of-pocket costs are declining](#) for patients.

"In addition, PBMs have introduced programs to cap, or outright eliminate, out-of-pocket costs for insulin and have stepped up efforts to help patients living with diabetes by providing clinical support and education, which help patients maintain their insulin regimens and lead healthier lives."

-Statement to KHN from Reid Porter, senior director of state public affairs for the Pharmaceutical Research and Manufacturers of America, or PhRMA, which represents brand-name drug makers:

"If the governor wants to impact what patients pay for insulins and other medicines meaningfully, he should expand his focus to others in the system that often make patients pay more than they do for medicines.

"For example, he could require these entities, including insurance companies and middlemen like pharmacy benefit managers, to share the average 84% in rebates they receive on insulin directly with patients at the pharmacy counter.

"Instead, he wants to score political points and villainize the industry responsible for making California a global leader in developing lifesaving treatments and cures and infusing more than \$200 billion into the economy and supporting nearly 700,000 jobs."