



April 16, 2026

The Honorable Bill Cassidy
Chairman
The Senate Committee on Health, Education,
Labor, and Pensions
428 Senate Dirksen Office Building
Washington, DC, 20510

The Honorable Bernie Sanders
Ranking Member
The Senate Committee on Health, Education,
Labor, and Pensions
428 Senate Dirksen Office Building
Washington, DC, 20510

Dear Chairman Cassidy, Ranking Member Sanders, and Members of the Senate Committee on Health, Education, Labor, and Pensions:

On behalf of Consumer Action for a Strong Economy (CASE), a leading voice for pro-growth, free-market policies that support American consumers, we respectfully urge you to address in today's hearing the growing influence of large health insurers, pharmacy benefit managers (PBMs), and vertically integrated healthcare conglomerates, and the impact their practices are having on patients.

Over the years, consolidation and vertical integration have allowed a small number of insurers to exert unprecedented control over nearly every aspect of the healthcare system—from insurance coverage and prescription drug pricing to the services providers are allowed to offer. This concentration of power has created clear conflicts of interest, enabling insurers and their affiliated PBMs to prioritize profits over patients.

As a result, vertically integrated insurers and their affiliated entities are increasingly delaying and denying care to patients nationwide, potentially jeopardizing health outcomes—whether by refusing coverage for necessary medications or by delaying or denying authorization for lifesaving treatments. At the same time, they steer patients toward higher-cost drugs and insurer-owned pharmacies, manipulate formularies, and dictate reimbursement rates—all at the expense of consumers.

This dynamic is harming patients and their families. Family premiums for employer-sponsored coverage are expected to cost upwards of \$27,000 per year. Yet as costs rise, the value of care patients receive is declining, with a significant share of every premium dollar going toward insurer profits and administrative costs rather than direct patient care, such as routine doctor visits. Because of these ongoing affordability challenges, 4 in 10 insured adults have reported delaying or skipping care entirely because they can't afford the outrageous costs. While patients forgo much-needed care, the profits for the country's largest insurers are skyrocketing. While patients forgo necessary care, the nation's largest insurers continue to report soaring profits. Insurance companies reported exceeding \$70 billion in profits in the past year, while top executives took home more than \$140 million in combined compensation.

These affordability and access challenges are made worse by pharmacy benefit managers (PBMs), who opaquely manipulate the drug pricing system at the expense of patients. The ten largest insurers dominate the national market, and the three "Big Three" insurers—Cigna, CVS, and UnitedHealth Group—own PBMs that together control nearly 80% of the prescription drug market. This system has given PBMs significant leverage to influence drug prices, with some specialty generics marked up by

more than 1,000% on their formularies. Over the past few years, PBMs have collected more than \$300 billion in rebates while patients continue to face rising costs at the pharmacy counter.

Congress has made important strides in advancing transparency across the healthcare system, especially with the PBM reform passed earlier this year. However, transparency alone is not enough. As the committee continues to work to improve healthcare affordability, we urge you to prioritize reforms that rein in anti-competitive behavior, address harmful delays and denials of care, and bring greater accountability to vertically integrated insurers and PBMs. Patients deserve a system that puts them first, not one that consistently prioritizes profits over patient care.

Thank you so much for your time and attention to this important issue.

Sincerely,

Gerard Scimeca
Chairman
Consumer Action for a Strong Economy (CASE)