

January 31, 2023

House Commerce and Energy Sub-Committee #2 The Honorable Michael Webert, Chair

Dear Chair Webert and Committee Members:

I am writing on behalf of the American Diabetes Association (ADA) in support of House Bill (HB) 1782 legislation ensuring greater transparency of rebates and fees received by pharmacy benefit managers (PBMs) and requiring at least 80% of prescription drug rebates to be passed on to consumers.

Diabetes is the nation's most expensive chronic disease. It accounted for an estimated \$6.1 billion in costs in Virginia in 2017 alone. People with diabetes experience health care costs 2.3 times higher than those without diabetes. The U.S. diabetes community accounts for \$1 of every \$4 spent on health care, including prescription drugs. Sadly, surveys indicate Americans with diabetes are struggling to afford their care with one in four reporting rationing insulin due to cost.

We know from studies, that achieving glycemic control and managing cardiovascular risk factors have conclusively been shown to reduce diabetes complications, deaths, and associated costs for hospitalizations and treatments. Therefore, it is imperative that every effort be made to make access to medications and health care affordable. HB 1782 will bring critical relief for patients with diabetes, because improving affordability of necessary medications will improve adherence to the treatment plan their providers have prescribed.

Ensuring all people with and at risk for diabetes have access to adequate and affordable health care is among ADA's principal policy priorities. Therefore, we also urge that measures be put in place to ensure the list price of prescription drugs does not escalate as the rebates are passed on to the patient, as some people will still be faced with paying list price without the benefit of a rebate pass through.

Thank you very much for your attention. If you have any questions, I am available at mbillger@diabetes.org

Sincerely,

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