



April 24, 2025

The Honorable Donald J. Trump
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear President Trump,

The American Pharmacists Association writes in strong support of your ongoing commitment in Executive Order (EO), 14273 “[Lowering Drug Prices by Once Again Putting Americans First](#),” “Sec. 8 Reevaluating the Role of Middlemen,” where “[w]ithin 90 days of the date of this order, the Assistant to the President for Domestic Policy, in coordination with the Secretary, the OMB Director, and the Assistant to the President for Economic Policy, shall provide recommendations to the President on how best to promote a more competitive, efficient, transparent, and resilient pharmaceutical value chain that delivers lower drug prices for Americans.”

APhA was pleased to work together with the first Trump Administration to pass [federal legislation](#), which unanimously passed of House of Representatives, that you signed into law, banning pharmacy gag clauses from large vertically integrated “middlemen,” also known as pharmacy benefit managers (PBMs), that previously prohibited pharmacists from sharing drug pricing information with customers if their prescriptions would cost less if they paid cash, rather than using insurance. Pharmacists previously faced significant penalties if they proactively shared this drug pricing information with consumers.

APhA also supports the continued [efforts](#) of your Federal Trade Commission (FTC) Chairman Andrew Ferguson’s ongoing proceeding against the large PBMs, and APhA will be responding to both the FTC’s [Request for Public Comment Regarding Reducing Anti-Competitive Regulatory Barriers](#) and the Department of Justice’s [Anticompetitive Regulations Task Force](#). Ample and growing data analysis clearly shows increasing evidence that consolidation of PBMs with pharmacies and [vertical integration in the health care space](#), that now also includes manufacturers, has led to harmful increases in purchasers’ and patients’ drug prices through price discrimination, utilization of harmful PBM fees, and other “clawback” mechanisms on pharmacies, use of “list prices,” “spread pricing,” and “patient steering,” for brand, generic and specialty drugs and to PBM-affiliated pharmacies.

APhA can help your Administration build on your previous success by lowering health care costs, supporting local small businesses, and improving health care access for our nation in several ways. Many rural communities have no access to health care except for their local pharmacist. APhA wants to help your Administration by ensuring coverage of pharmacists’ services through local pharmacies.

As your team works to implement federal PBM reforms under Sec. 8, several of the best examples of PBM reforms come from the states. As such, APhA recommends referencing Vice President J.D. Vance's home state of Ohio's Single Pharmacy Benefit Manager (SPBM) model, where a recent two-year report found:

- \$333 million in administrative savings.
- Nearly \$140 million in net savings.
- Over \$700 million in dispensing fees paid directly to Ohio pharmacies.
- A 99% pharmacy network participation rate, reversing years of closures, particularly among independents.
- Elimination of spread pricing, clawbacks, and network steering.

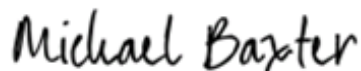
This model delivers transparency and stability while achieving cost savings, making it a clear candidate for national consideration.

Additionally, APhA recommends several best practices for PBM enforcement, including:

- Strong oversight authority by the Departments of Insurance ([West Virginia](#), [Colorado](#), [North Dakota](#)).
- Biennial audits ([Florida](#)).
- Strict penalties for violations, including license suspension or revocation ([Arkansas](#), [Minnesota](#)).
- Fair reimbursement mandates and anti-affiliate self-dealing protections ([Delaware](#)).

If you have any questions, would like assistance implementing Sec.8 of EO 14273, and would like to meet with APhA's Executive Vice President and CEO, Michael D. Hogue, PharmD, FAPhA, FNAP, FFIP, please contact APhA at mbaxter@aphanet.org.

Sincerely,



Michael Baxter
Vice President, Government Affairs