

Research on Pharmacy Benefit Managers

Findings From a Survey of 206 Likely Voters in Iowa

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Bellwether Research

Christine Matthews



Lake Research Partners

Washington, DC | Berkeley, CA | New York, NY

LakeResearch.com

202.776.9066

David Mermin

Emily Garner

Liam Tocheny

Methodology

- Lake Research Partners and Bellwether Research designed and administered this bipartisan survey of 206 likely general election voters in Iowa, concurrently with a national survey of 1,049 likely voters.
- The survey was conducted February 6-13, 2023, by online panel.
- Data were weighted slightly by gender, age, party identification, region, race, race by gender, and college education status to reflect the expected demographic composition of likely voters nationally and in Iowa.
- The margin of error for the Iowa sample is +/-6.8% and higher for subgroups.
 - The margin of error is +/-3.0% for the national sample.

Demographics of Likely Voters in Iowa

GENDER


Man — 49%
 Woman — 51%
 Nonbinary — 1%

REGION

CD 1 & 2 — 51%
 CD 3 & 4 — 49%

EDUCATION

High School or Less — 29%
 Post-H.S./Some College — 38%
 College Graduate — 20%
 Post-Graduate — 12%

 33%
 College Grad or Post Grad

PARTY IDENTIFICATION



Democrat
38%

RACE

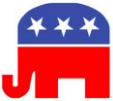
White/Caucasian — 89%
 Black/African American — 4%
 Indigenous/Native American — 2%
 Asian American/Pacific Islander — 2%
 Latino/Hispanic — 2%
 Middle Eastern — 0%

AGE

Under 30 — 21%
 30-39 — 15%
 40-49 — 14%
 50-64 — 26%
 65+ — 25%

EMPLOYMENT STATUS

Full Time — 40%
 Part Time — 11%
 Unemployed — 8%
 Homemaker — 5%
 Student — 3%
 Retired — 31%
 Refused — 1%



Republican
43%

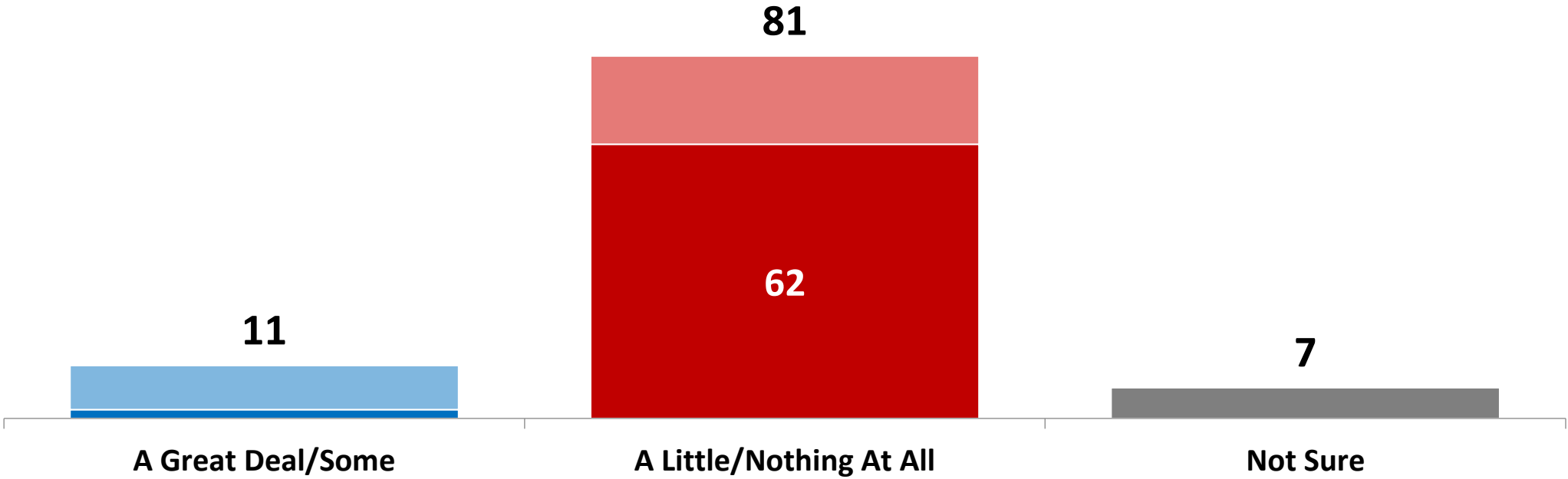


Independent
14%

Percentages do not always add up to 100 due to rounding and non-response

Over eight in ten Iowa voters report knowing little or nothing at all about PBMs. Many voters will form impressions of PBMs based on the name alone, leaving PBMs open to define themselves positively without communication to push back on this narrative.

Knowledge About PBMs



Some
A great deal

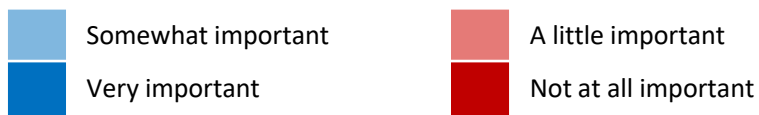
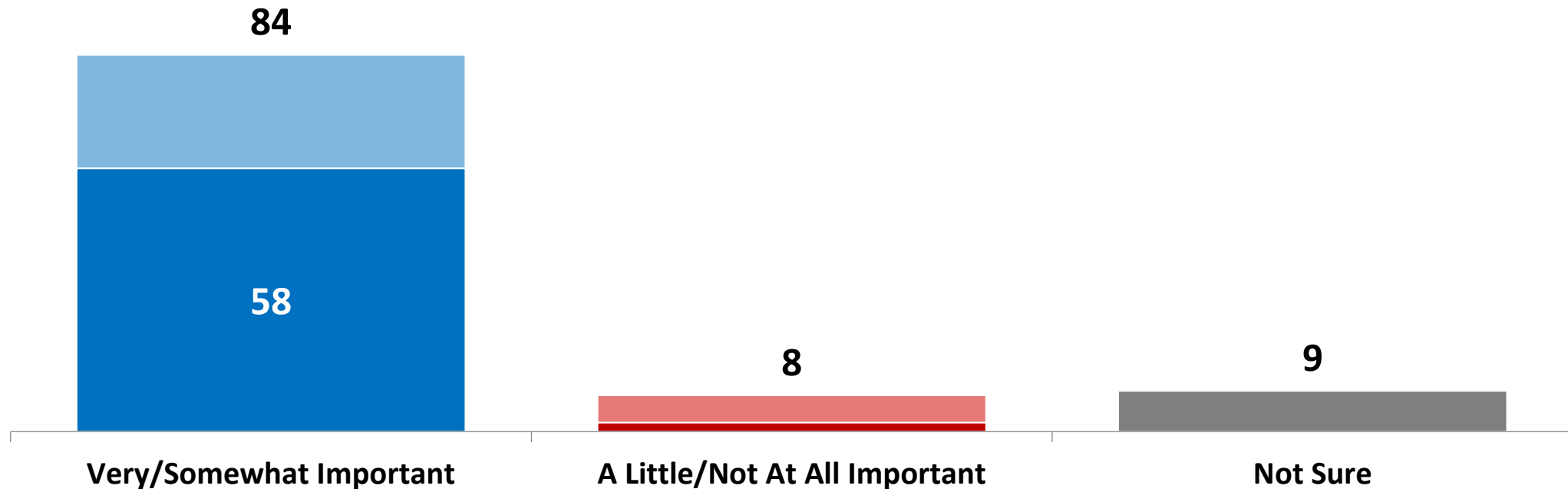
A little
Nothing at all

Q19. How much do you know about pharmacy benefit managers (PBMs)? Select one

After Iowa voters read a short and simple description of PBMs, an overwhelming majority – more than eight in ten – say it is important to have rules that require PBMs to provide value and lower drug costs for patients, including nearly six in ten who think it is very important.

Importance of Regulating PBMs: Initial Ballot

Initial PBM Description: Pharmacy benefit managers, or PBMs, are corporations that administer prescription drug plans for health insurance companies and employer or union health plans and make profits based on the price of prescription drugs.



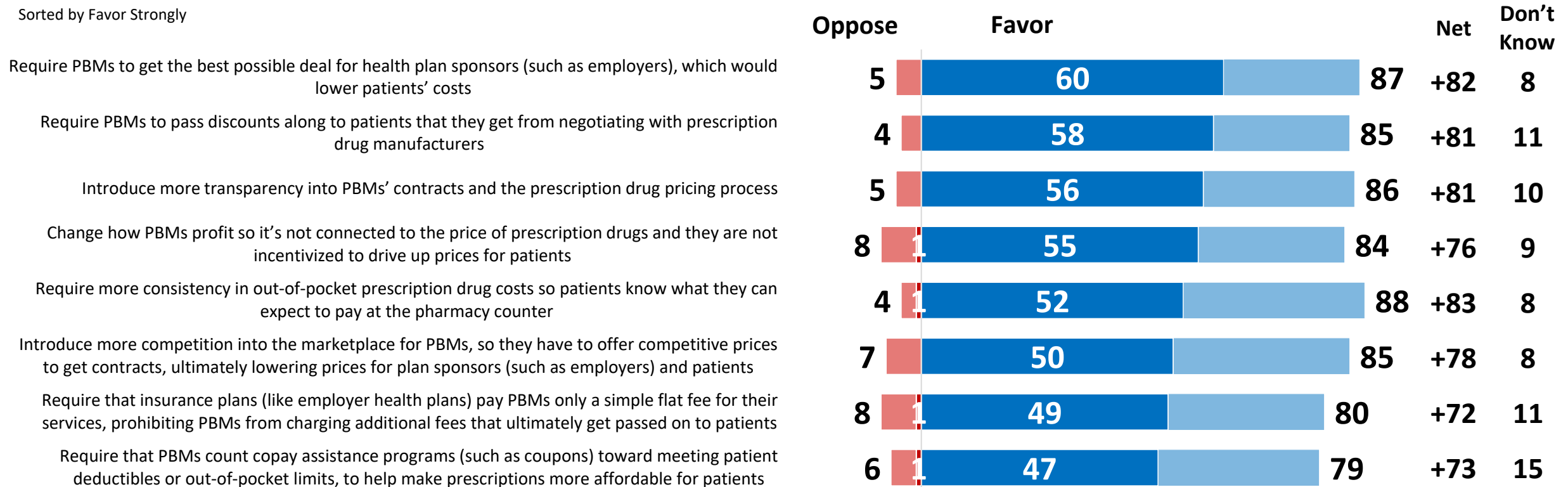
Q20. Now here is some information about a sector of the health insurance industry called pharmacy benefit managers: Having read this description, how important do you think it is to have rules that require pharmacy benefit managers (PBMs) to provide value and lower drug costs to consumers?

After voters hear additional information about PBMs*, a slate of specific proposed regulatory policies get overwhelmingly high support across the board. While all of the policies are remarkably popular, and nearly uniformly so, requiring PBMs to pass discounts along to patients and requiring them to get the best possible deal for health care sponsors top the list by a slim margin.

*see appendix for language

Support for Policies to Regulate PBMs

Sorted by Favor Strongly



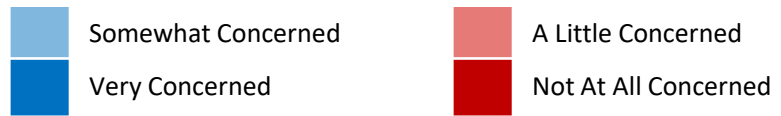
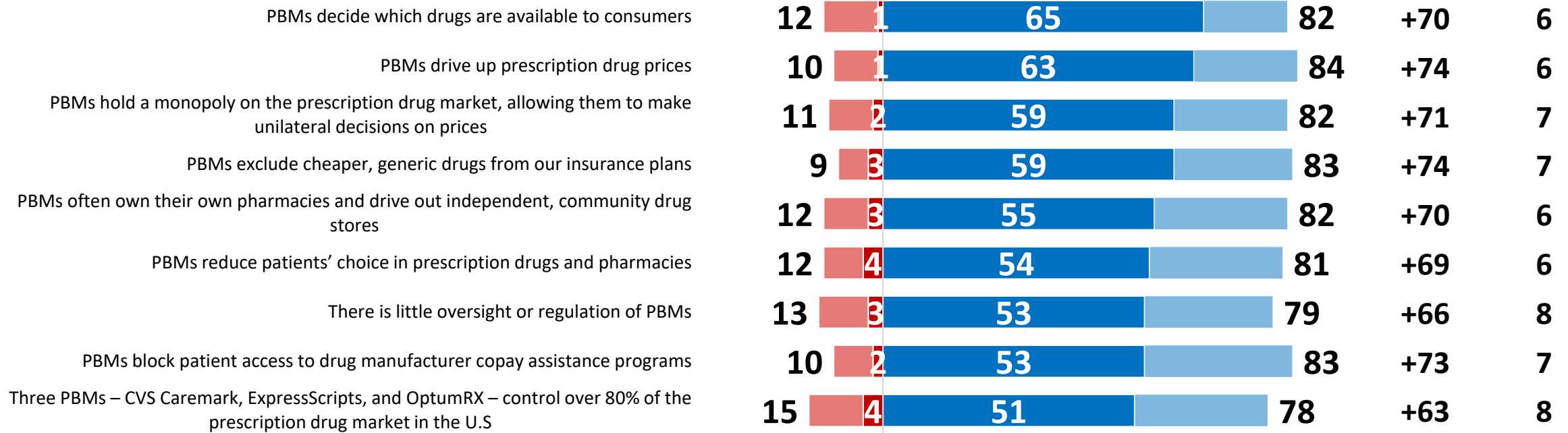
Q23. Now here are some different policy changes that have been proposed to regulate PBMs. For each one, please indicate if you would favor or oppose the proposal. [RANDOMIZE] Select one for each option

Reading a list of some of the negative impacts PBMs have on health care generates uniformly very high levels of concern among Iowa voters. Three quarters to eight in ten voters are concerned about all of the impacts tested, but the ones that evoke the highest intensity of concern by a slim margin are that PBMs decide which drugs are available to consumers, and that they drive up prescription drug prices.

Negative Impacts of PBMs

Sorted by Very Concerned

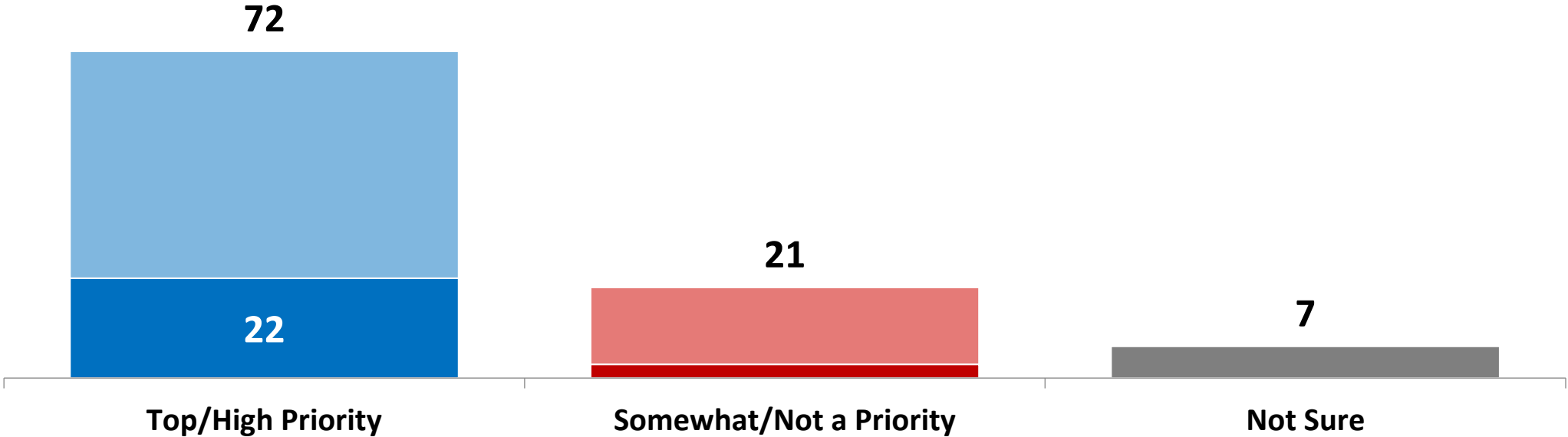
Not Concerned Concerned Net Don't Know



Q24. Now here are some facts about how PBMs operate and different impacts they can have on patients' health care costs and the cost of the entire health care system. For each one, please rate how concerned you are about that issue or impact. [RANDOMIZE] Select one for each option

After voters have had PBMs defined for them, an overwhelming majority think that regulating PBMs should be a priority for their elected officials. Nearly three quarters of voters say that regulating PBMs should be a high or top priority for Congress and/or their state legislature.

Importance of Regulating PBMs: Final Ballot

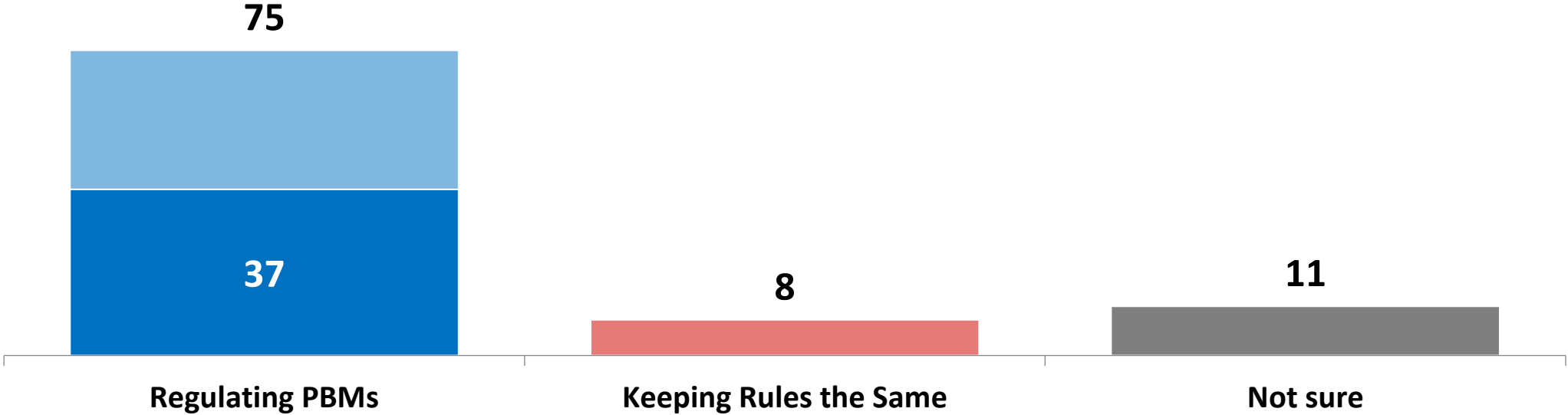


High Priority
Top Priority
Somewhat of a Priority
Not a Priority

Q25. When you think about priorities for Congress and your state legislature, how high of a priority do you think regulating PBMs should be? Select one

Again, after PBMs have been defined for them, voters say they are far more likely to support a candidate for office who supports regulating PBMs than one who prefers to keep the rules the same. Three quarters of Iowa voters would be more likely to vote for a candidate who supports regulating PBMs.

Support for Candidate Based on PBM Position



Somewhat More Likely to Vote for...
Much More Likely to Vote for...

Legend for candidate positions:

- Candidate Who Supports Regulating PBMs
- Candidate Who Supports Keeping Rules the Same

Q26. Would you be more likely to vote for a candidate for elected office who supports regulating PBMs, or a candidate who supports keeping the rules as they are? Select one

LRP LAKE RESEARCH PARTNERS

Strategy · Precision · Impact



Washington, DC | Berkeley, CA | New York, NY

LakeResearch.com

202.776.9066

David Mermin

dmermin@lakeresearch.com

Emily Garner

egarner@lakeresearch.com

Liam Tocheny

ltocheny@lakeresearch.com

Nikolai Schweber

nschweber@lakeresearch.com

Christine Matthews

cmatthewspolls@gmail.com

Bellwether Research

Additional Information About PBMs

PBMs were created to manage how we get our prescription drugs and create savings for consumers. Today, a number of PBMs are multibillion dollar corporations, and some of the most profitable companies in health care.

PBMs play a major role in determining how much we pay for our medications, because they negotiate prescription drug benefits on behalf of health insurance companies and employer health insurance plans. PBMs have little oversight and little competition - right now, three PBMs control over 80% of the prescription drug market in the United States - so they are able to profit through a number of business practices. PBMs make a bigger profit on drugs with a higher price tag because PBM fees are often charged based on a percentage of the price, so many experts have said that PBMs prefer higher, rather than lower drug prices.

PBMs also negotiate with prescription drug manufacturers to get rebates and other fees on these drugs, but instead of passing savings back to consumers, often they keep these savings for themselves. They also often prevent patients from getting lower-cost generic drugs and block patient access to drug manufacturer copay assistance programs.