

# CAPITOL STREET

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## PBM: Things are (Finally) Happening in 2024

FTC Report July & Blue Shield of CA Update

Relevant Companies



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### »» Our Take & Next Up

**PBM policies could see the light of day in an end of the year package as a pay-for, as we await FTC study results (July) and monitor alternative models (Blue Shield of CA).** We predict that PBM provisions that are likely to be included in a lame duck package will largely be Medicare & Medicaid reforms (transparency, spread pricing ban, de-linking). Some commercial transparency requirements are also likely to pass, with less business impact compared to more onerous reforms (like a spread pricing ban). The Biden admin is not expected to act on PBMs until his 2nd term (if he is reelected) and will be led in part by the FTC 6(B) study results that are expected this summer. PBM reforms overall if passed will lift the overhang of an industry being under constant pressure. Meanwhile, the PBM business model continues to evolve with new arrangements (like BS of CA un-bundling PBM services, to be implemented in 2025).

### »» Key Points

**PBM provisions in House & Senate bills are largely in Medicare & Medicaid, with minimal commercial...**

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