The Advisor

Open Enrollment **2026**

Prescription drug costs remain in the spotlight

Prescription drug spending continues to be one of the fastest-growing drivers of employer health care costs, fueled by rising use of specialty medications and increasing demand for GLP-1 drugs.

In response, policymakers at both the federal and state levels have introduced legislation and initiatives intended to lower drug costs and increase accountability throughout the prescription drug supply chain.

While it's still too early to know whether these efforts will ultimately reduce costs for employers, Schauer Group's Employee Benefits team is closely monitoring several developments that could shape the pharmacy marketplace in the coming years.

TrumpRx focuses on price transparency

Launched earlier this year, the TrumpRx website was created with the goal of reducing prescription costs for Americans by offering discounts that would significantly lower drug prices.

Today, there are dozens of drugs listed on the site with a heavily negotiated "presidential deal" coupon – in some cases, up to 95 percent off the wholesale acquisition cost of the drug. Hundreds of other drugs are listed with standard pricing options shown and information about which pharmacies offer them at the most affordable prices. (The biggest savings appear to be for fertility and weight loss drugs.)

The program has important limitations. Consumers cannot purchase medications directly through the website, and the coupons do not work in conjunction with health insurance coverage. Instead, the website directs users to participating pharmacies, which are not required to honor listed coupons.

Federal legislation targets pharmacy benefit managers

The 2026 Consolidated Appropriations Act includes several provisions intended to rein in drug costs and increase transparency among pharmacy benefit managers – the companies that administer prescription drug benefits for employer-sponsored health plans.

Among the most significant proposed changes: PBMs would be required to pass 100 percent of rebates, discounts and fees back to employers or plan sponsors, instead of retaining a portion of those payments. The legislation would also require more detailed reporting on prescription drug pricing, rebates and payments made to service providers.

These changes are not expected to take effect until 2028 or later, and it remains unclear whether they ultimately will translate into lower health plan costs for employers.

FTC settlement could influence future pharmacy pricing

Earlier this year, the Federal Trade Commission reached a settlement with Express Scripts, one of the nation's largest pharmacy benefit managers, over allegations that Express Scripts inflated the cost of insulin through unfair formulary and rebate practices.

While the case focused on insulin, the settlement could have broader implications on drug pricing. Express Scripts agreed not to give preference to higher-cost drugs when identical lower-cost alternatives are available and to calculate member out-of-pocket costs using a drug's net cost rather than its higher list price.

Ohio legislation aims to protect local pharmacies

In Ohio, lawmakers also are considering changes that could affect employer pharmacy costs.

House Bill 192, known as the Community Pharmacy Protection Act, includes language that would require pharmacy benefit managers to reimburse pharmacies for the actual acquisition cost of each prescription, plus a dispensing fee – estimated to be $10 to $15 per prescription.

Supporters, including independent pharmacies, argue the legislation would help close the gap between reimbursement rates and the actual cost of dispensing medications, helping community pharmacies remain financially viable.

Opponents, including the Ohio Chamber of Commerce, contend pharmacy benefit managers would likely pass those additional costs on to employers, who either would have to absorb the increases or share them with employees.

As policymakers search for ways to reduce prescription drug costs, employers should expect continued legislative and regulatory activity surrounding pharmacy benefit managers and prescription pricing. While many of these initiatives are intended to improve affordability and transparency, it likely will take time before their impact on employer-sponsored health plans becomes apparent.

Schauer Group's Employee Benefits team continues to monitor these developments and can help employers understand how legislative and regulatory changes may affect their benefits strategies. If you'd like to discuss these issues further, please reach out to your Schauer Group benefits advisor.

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SOURCES

FTC Secures Landmark Settlement with Express Scripts to Lower Drug Costs for American Patients | Federal Trade Commission (LINK)

Fact Sheet: President Donald J. Trump Launches TrumpRx.gov to Bring Lower Drug Prices to American Patients | The White House (LINK)

Molly Mottram, Director of Healthcare Policy Ohio Chamber of Commerce Opponent Testimony – Substitute House Bill 192

Walgreens, Written Proponent Testimony, Ohio House Insurance Committee, House Bill 192

Federal PBM Reforms In Action And In Context | Health Affairs (LINK)