

## PBGH statement on President Biden's Executive Order on Promoting Competition in the American Economy

July 9, 2021

We are exceptionally pleased by the messages in President Biden's Executive Order on Promoting Competition in the American Economy. As an organization consisting of large employers and public entities that purchase health benefits for their employees and beneficiaries, we recognize the potential for healthy competition and market forces to drive improved health care quality and affordability. Unfortunately, the health care market has become so consolidated that many entities have used their market power to raise prices. Regrettably, some have engaged in blatantly anti-competitive contracting practices that have further increased their market power. This must stop.

President Biden's Executive Order recognizes this problem and directs federal agencies to take steps to restore healthy competition to health care markets. We are particularly pleased to see actions in the following areas:

- Drug costs: support for wider use of biosimilars and generics as safe and affordable alternatives to costly brand name biologics and drugs; support for banning "pay-for-delay" and similar anti-competitive practices.
- Hospital costs: support for revising FTC's merger guidelines in the health care industry; support for stronger hospital price transparency rules and effective surprise billing regulations.

We have urged the White House to take these steps, and we encourage the Administration to build on these initiatives to address similar problems in the physician and pharmacy benefit manager market.