NATIONAL ASSOCIATION OF Manufacturers

Charles Crain

Managing Vice President, Policy

January 21, 2026

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable John Thune
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Hakeem Jeffries
Democratic Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Johnson, Majority Leader Thune, Leader Jeffries, and Minority Leader Schumer,

On behalf of the National Association of Manufacturers ("NAM") and the 13 million people who make things in America, I write to express strong support for policies included in sections 6224, 6604, 6701, and 6702 of H.R. 7148, the Consolidated Appropriations Act, 2026. These reforms are an important step toward addressing the rising cost of health care for manufacturers, manufacturing workers, and their families.

The NAM is the largest manufacturing association in the United States, representing small and large manufacturers in every industrial sector and in all 50 states. Manufacturers have a deep commitment to providing health benefits to their workers as it is an effective tool to attract and retain employees and to maintain a healthy and productive workforce, and because they believe it is the right thing to do for the workers who keep America and its economy strong.

However, rising health care costs remain a top challenge for the industry. Seventy percent of manufacturers cited health care and insurance costs as their primary business concern in the NAM's most recent Manufacturers' Outlook Survey.[1] Increased costs are disproportionately impacting small and midsize manufacturers, with 77.3% of small (fewer than 50 employees) and 77.6% of medium (50 to 499 employees) companies identifying health care costs as their top concern. In the survey, 94% of manufacturers responded that they expected, or had already seen, an increase in health insurance premiums for 2026. Of those, 11% see premiums rising by more than 20%, an unsustainable increase that neither manufacturers nor manufacturing workers and their families can afford.[2] Despite this challenge, 95% of manufacturing employees are eligible for health insurance benefits, 80%

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[1] National Association of Manufacturers, Q4 2025 Manufacturers' Outlook Survey (December 17, 2025). Available at https://nam.org/wp-content/uploads/securepdfs/2025/12/NAM_Q4_2025_Outlook_Write_Up.pdf.
[2] Ibid

of whom participate in a workplace plan, which underscores the urgent need for action to reduce health care costs for manufacturers and manufacturing workers alike.[3]

The NAM applauds Congress for taking steps to address the affordability of health care and is pleased to see reforms to pharmacy benefit manager ("PBM") practices—a top priority for manufacturers—among other crucial reforms included in this bill.

Section 6224: Modernizing and ensuring PBM accountability

PBMs are underregulated middlemen that design, negotiate, and administer prescription drug benefits on behalf of health insurance companies and employers that self-fund health insurance plans for their employees. PBMs contribute to the skyrocketing cost of health care by pocketing manufacturer rebates, tying patient cost-sharing to list prices, using spread pricing structures, and obfuscating their questionable business models. Manufacturers have long supported reforms included in the Modernizing and Ensuring PBM Accountability Act that would delink PBM compensation from drug list prices, enhance reporting requirements, and establish transparency measures in Medicare Part D, as well as ban spread pricing in Medicaid. These measures will help rein in the problematic practices of PBMs that increase health care costs without providing patient benefit.

Section 6604: Extension of authority to issue priority review vouchers to encourage treatments for rare pediatric diseases

The Rare Pediatric Disease Priority Review Voucher ("PRV") program is an important tool for supporting biotechnology and biopharmaceutical manufacturers developing treatments for rare diseases affecting children. An extension of this program, which expired in 2024, would restore the incentive to invest in these treatments by offering a PRV, should a company's therapy receive FDA approval. Manufacturers could then use the voucher to obtain expedited review of another drug or sell it to generate capital, helping to offset the high costs and risks associated with rare pediatric drug development.

Section 6701: Oversight of pharmacy benefit management services

These transparency measures would require PBMs to share with commercial plan sponsors detailed information for prescription drug claims, including PBM compensation, formulary placement, patient steering, patient out-of-pocket cost, and the amount of rebates and fees received by the PBM. This increase in the amount of important granular data given to manufacturers would allow them to better manage and predict health care costs so that they can be more financially prudent while continuing to provide health insurance to their workers.

Section 6702: Full rebate pass through to plan; exception for innocent plan fiduciaries

Reforms requiring PBMs to pass through 100% of rebates, fees, alternative discounts, and other remuneration to health plans would return resources to manufacturers and put money back into the pockets of their employees, strengthening manufacturers' ability to continue offering ESI to their workforce over the long term. One of manufacturers' top three priorities for PBM reform has been 100% rebate pass through and the NAM is pleased to see it included in this bill.

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[3] Kaiser Family Foundation, *2025 Employer Health Benefits Survey* (Oct. 22, 2025). Available at https://files.kff.org/attachment/Employer-Health-Benefits-Survey-2025-Annual-Survey.pdf

Manufacturers are increasingly concerned with the rising cost of health care and greatly appreciate the timely inclusion of solutions in H.R. 7148 to address this critical issue. The NAM looks forward to continuing its work with Congress to ensure manufacturers of all sizes can continue offering health insurance to their workers, and their families, who work hard every day to power the American economy.

Sincerely,

Charles P. Crain

Charles Crain
Managing Vice President, Policy

cc: The Honorable Susan Collins, Chair, Senate Committee on Appropriations
The Honorable Patty Murray, Vice Chair, Senate Committee on Appropriations
The Honorable Robert Aderholt, Chair, House Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
The Honorable Shelley Moore Capito, Chair, Senate Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
The Honorable Tammy Baldwin, Ranking Member, Senate Subcommittee on Labor, Health and Human Services, Education, and Related Agencies
The Honorable Tom Cole, Chair, House Committee on Appropriations
The Honorable Rosa DeLauro, Ranking Member, House Committee on Appropriations and House Subcommittee on Labor, Health and Human Services, Education, and Related Agencies