



AMERICAN BENEFITS
COUNCIL

NEWS RELEASE

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***PCMA v. Arkansas* Supreme Court case about more than PBMs, prescription drugs ERISA preemption central to nation's employee benefit system**

WASHINGTON, DC – The American Benefits Council and the U.S. Chamber of Commerce jointly filed **an amicus (“friend of the court”) brief** with the U.S. Supreme Court on April 1, offering a forceful defense of ERISA preemption – the principle that allows large, multistate employers to provide consistent and equitable benefits to all employees no matter where they live or work.

“Rutledge v. Pharmaceutical Care Management Association not only concerns the way uniform plan administration is undermined by state laws dictating the amounts plans and their administrators must pay pharmacies for generic drugs, and the related benefit procedures plans must use, it also concerns the future of ERISA preemption for all types of benefits and plans,” said Katy Johnson, senior counsel, health policy, for the Council. *“We believe strongly – and the law and precedent affirm – that states like Arkansas cannot limit ERISA’s power to preempt state law.”*

The brief notes that if the court upholds the state law, it would be permitting a patchwork of state requirements that would decrease efficiency and increase plan costs, noting “[m]embers of both the Chamber and the Council hold differing views on the subject matter of the law at issue in this case... [i]ndeed, certain aspects of the PBM model stand at odds with the interests of many plan sponsors” but “the protection of uniform plan administration is essential to the interests of employers and their plans’ participants and beneficiaries.”

“For the sake of millions of employees across the country, the high court should reject the arguments of Arkansas and [the U.S. Department of Justice](#) and uphold the [Eighth Circuit Court of Appeals Decision](#),” Johnson said.

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The Council is a public policy organization whose members include over 220 of the world's largest corporations, as ranked by Fortune and Forbes. Collectively, the Council's members either directly sponsor or administer health and retirement benefits for virtually all Americans covered by employer-sponsored plans.