



NATIONAL ASSOCIATION OF POLICE ORGANIZATIONS, INC.

Representing America's Finest

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EXECUTIVE OFFICERS July 3, 2025

MICHAEL McHALE
President
*Florida Police Benevolent
Association*

The Honorable Donald J. Trump
President of the United States
The White House

JOHN A. FLYNN
Vice President
*Police Benevolent
Association of New York City*

1600 Pennsylvania Avenue NW
Washington, D.C. 20500

CRAIG LALLY
Recording Secretary
*Los Angeles Police
Protective League*

Dear Mr. President,

SCOTT HOVSEPIAN
Treasurer
*Massachusetts Coalition
of Police*

On behalf of the National Association of Police Organizations (NAPPO), I write to commend your leadership on advancing healthcare price transparency. We strongly support your recent Executive Orders “Making America Healthy Again by Empowering Patients with Clear, Accurate, and Actionable Healthcare Pricing Information” and “Lowering Drug Prices by Once Again Putting Americans First” that are aimed at increasing transparency and lowering drug prices, which are critical steps toward a more accountable and affordable healthcare system.

BRYAN YANT
Sergeant-at-Arms
*Las Vegas Police Protective
Association*

NAPPO is a coalition of police unions and associations from across the United States that serves to advance the interests of America’s law enforcement through legislative and legal advocacy, political action, and education. Founded in 1978, NAPPO now represents more than 1,000 police units and associations and approximately 250,000 sworn law enforcement officers who share a common dedication to fair and effective crime control and law enforcement.

SCOTT LEETON
Executive Secretary
*Combined Law Enforcement
Associations of Texas*

MARK YOUNG
Vice President,
Associate Members
*Detroit Police Lieutenants &
Sergeants Association*

In particular, we applaud your directive to the Secretary of Labor to propose regulations under section 408(b)(2)(B) of the Employee Retirement Income Security Act of 1974 (ERISA) to improve group health plan fiduciary transparency into the direct and indirect compensation received by pharmacy benefit managers (PBMs). As many of NAPPO’s member organizations are self-insured unions responsible for fiduciary oversight of their health benefits, this action will be immensely impactful. We believe, however, this provision should go further and encourage your Administration and the Department of Labor to require full fiduciary transparency across the entire group health plan, not just the pharmaceutical portion.

JAMES PALMER
Parliamentarian
*Wisconsin Professional Police
Association*

WILLIAM J. JOHNSON, CAE
Executive Director and
General Counsel

While prescription drugs are a major cost driver, the majority of employer and union health plan spending—typically 70% to 80%—occurs on the medical side. This includes not just hospital and outpatient services, but also high-cost drugs administered through infusion centers and physician offices. These drugs are billed under the medical benefit, outside PBM oversight, and often excluded from current transparency efforts. Greater fiduciary transparency into these payments is essential to control costs. Including transparency requirements into contracts and payments to hospitals, providers, drug infusion centers, third party administrators (TPAs), brokers and brokerage firms, and

other entities has the potential of reducing healthcare costs significantly. This should include disclosures of subcontracts and arrangements with third parties, which can materially affect pricing and access.

Furthermore, we are increasingly concerned that PBMs are often vertically integrated with the very health insurers that serve as our TPAs. The same opacity that obscures PBM compensation also affects the broader administration of our members' health plans. When TPAs, PBMs, and affiliated health insurers operate under common ownership and without full disclosure - including the use of affiliated vendors for wellness, utilization management, and medical review services - of pricing structures or compensation flows, it becomes nearly impossible for plan fiduciaries to assess value, performance, and alignment with employee interests.

Out-of-pocket health care costs are skyrocketing for Americans, and many are faced with unexpected and unaffordable medical payments for treatments and prescription drugs. Something must be done about the rising costs of healthcare and the struggle Americans go through when trying to get affordable care for themselves and their loved ones. With better transparency, and unfettered access to plan data, we will be able to deliver higher quality healthcare, reduce unnecessary costs, and reinvest those savings in ways that truly matter—such as higher wages, expanded benefits, and long-term job growth. Again, we encourage you to expand your fiduciary transparency requirements to the entire group health plan.

Thank you for your continued leadership and bold action on behalf of American workers and their families.

Sincerely,

A handwritten signature in black ink, appearing to read 'William J. Johnson', with a long horizontal flourish extending to the right.

William J. Johnson
Executive Director

CC: Secretary of Labor Lori Chavez-DeRemer