

March 20, 2025

The Honorable Joseph J. Solomon Jr.
Chairperson, House Committee on Corporations
Rhode Island State House
82 Smith Street
Providence, RI 02903

RE: Letter of Concern H-5248A – AN ACT RELATING TO BUSINESSES AND PROFESSIONS – PHARMACIES

Dear Chairperson Solomon Jr.:

I write on behalf of the State of Rhode Island Office of the Health Insurance Commissioner (OHIC) regarding <u>House Bill 5248 Sub A</u>, which seeks to place the responsibility for the enforcement of the provisions (as amended) of RIGL 5-19.1-35 with the Health Insurance Commissioner.

OHIC notes that, given the placement of this statute under Title 5 (over which OHIC has no authority), the bill's proposed subsection (h)'s language stating that OHIC shall enforce the section's provisions is not sufficient to give OHIC the necessary authority and enforcement tools. OHIC is an administrative agency that enforces the insurance laws of Title 27 as well as some specified chapters of Title 42 through administrative actions.

OHIC also questions whether placing the responsibility for enforcement of this statute on a small agency like OHIC is an efficient and cost-effective decision in the best interest of consumers and the state. The application of some of the section's requirements to a specific audit would require OHIC to engage (and pay for) an outside specialized auditor/expert. If the General Assembly determines it is most appropriate for this section to be enforced by OHIC, OHIC would respectfully request that the bill be amended to include a provision that places the cost of regulating and enforcing the provisions of this section on carriers, including without limitation the costs associated with promulgation of any necessary regulations, compliance investigations, enforcement actions, stenographic reporting, consultants and expert fees, similar in concept to RIGL Sections 27-13.1-7; 27-18.9-3(h) and 27-19-6(k).

Sincerely,



Cory B. King Health Insurance Commissioner

CC: Honorable Members of the House Committee on Corporations
Honorable Rebecca M. Kislak
Nicole McCarty, Esquire, Chief Legal Counsel to the Speaker of the House