March 20th, 2025



The Honorable Joseph Solomon, Jr. The Honorable William O'Brien Members, House Corporations Committee House Lounge – State House 82 Smith St. Providence, RI 02903

## RE: H 5248 Substitute A, Relating to Businesses and Professions - Pharmacies; Support

Chair Solomon Jr., Chair O'Brien and Members of the Committee,

On behalf of the Pharmaceutical Care Management Association (PCMA), I write to you in support to H 5248 Sub A. PCMA is the national association representing pharmacy benefit managers (PBMs), which administer prescription drug benefits for millions of Americans with health coverage provided through large and small employers, health plans, labor unions, state and federal employee-benefit plans, and government programs.

PBMs exist to make drug coverage more affordable. This is achieved by pooling the buying power of millions of patients and leveraging that buying power to obtain lower prices for prescription drugs through price discounts from retail pharmacies, rebates from pharmaceutical manufacturers, and using lower-cost dispensing channels. Though employers, health plans, and public programs are not required to use PBMs, most choose to use a PBM because PBMs lower the costs of prescription drug coverage, saving payers and patients an average of \$1,040 per person per year in Rhode Island.

PCMA applauds the legislative intent of H 5248 Sub A. The National Health Care Anti-Fraud Association (NHCAA) estimates billions of dollars in annual financial losses due to health care fraud.<sup>1</sup> Every dollar lost comes from the pocket of a consumer. Pharmacy audits are a crucial tool in combatting fraud, waste, and abuse (FWA) to protect patients, employers, unions, retirees, government programs, and other health plan sponsors. Pharmacy Benefit Managers (PBMs) use pharmacy audits to help protect patients from dangerous medication errors and health plan sponsors from improper prescription costs, and to ensure patients receive high-quality, proficient service from network pharmacies, identify evidence of FWA, and ensure compliance with regulatory requirements. These tools bolster patient safety and reduce health care system abuse.

<sup>&</sup>lt;sup>1</sup> NHCAA. The Challenge of Health Care Fraud. 2022. Available at https://www.nhcaa.org/tools-insights/about-health-care-fraud/the-challenge-of- health-care [fraud/.



PCMA believes H 5248, Sub A will continue to allow PBMs to appropriately audit pharmacies for fraud, waste, and abuse, keeping patients out of harm's way and containing costs.

Sam Hallemeier

A

Sr. Director, State Affairs shallemeier@pcmanet.org (202) 579-7647