



The Honorable Susan R. Donovan
Chairwoman
House Committee on Health and Human Services
82 Smith Street, House Lounge
Providence, Rhode Island 02903

RE: Strong Support for H5429– AN ACT RELATING TO INSURANCE – THIRD-PARTY HEALTH INSURANCE ADMINISTRATORS – PRESCRIPTION DRUG COST CONTROL AND TRANSPARENCY

Dear Chairwoman Donovan,

Thank you for the opportunity to write with support for H5429 -An Act Relating Insurance – Third Party Health Insurance Administrators – Prescription Drug Cost Control and Transparency

I am writing to express my strong support for the proposed bill that aims to control prescription drug costs by imposing transparency, oversight, and accountability requirements on commercial insurers and their pharmacy benefit managers (PBMs). The Federal Trade Commission (FTC) and investigative reports, including those by the New York Times, have indicated that the lack of transparency in current pricing practices has resulted in significant inefficiencies and increased drug costs, placing a burden on consumers and the healthcare system. By implementing this bill, we can ensure that insurers and PBMs are held accountable for their pricing strategies, requiring them to disclose how drug prices are set and the profits made from these transactions. This increased transparency will enable us to identify and address any unjustified cost increases, ultimately leading to more affordable medications for all Rhode Island residents.

Moreover, this bill will promote a competitive market environment by encouraging fair pricing practices and eliminating hidden fees and spread pricing tactics often employed by PBMs. It is crucial to ensure that consumers are not paying exorbitant prices for their medications while PBMs reap excessive profits. By enacting this legislation, we can create a more equitable healthcare system that prioritizes the well-being of our residents over corporate gains.

I urge you to support this bill and help ensure that our community has access to affordable and necessary prescription drugs.

Sincerely,

Eugenio Fernandez, Jr.
PharmD, MBA, MPH

CC: Representative John J. Lombardi
Members of the House Committee on Health and Human Services