



**RHODE ISLAND ACADEMY OF
FAMILY PHYSICIANS**
STRONG MEDICINE FOR RHODE ISLAND

Honorable Chair Donovan
House Health and Human Services Committee
State House
Providence, RI 02903

Re: H5429 and H5498

March 6, 2025

Dear Chair Donovan,

I am writing to you on behalf of the Rhode Island Academy of Family Physicians (RIAFP) in support of bills H5429 and H5498, which aim to regulate and reign in the power of Pharmacy Benefit Managers (PBMs).

I write to you as a Family Physician, who works at a Federally Qualified Health Center (FQHC) in Woonsocket and serves as the Chair of the Advocacy Committee of the RIAFP. I am also a resident of Providence and a patient in our healthcare system.

I would like to share with you how unsustainable it has become to provide primary care in our current system, and it is my firm belief that PBMs and the bureaucratic hurdles put in place by insurance companies are among the largest contributing factors to this instability.

Physicians are retiring early and leaving primary care in droves because of burnout and moral injury, in large part due to administrative burden and bureaucratic barriers to care caused by PBMs.

As you and your Committee know, PBMs exist as middlemen between drug manufacturers, insurance companies, pharmacies and patients. While in theory they work to negotiate lower and more stable prices for medications and medical services, and help to streamline medical care, this is not what happens in practice.

PBMs exert so much power in the healthcare system that they are effectively **taking away choice from both providers and patients, and creating dangerous problems with access to care.** By creating restrictive formularies they limit which medications providers can prescribe. By creating "prior authorization" they have created an administrative nightmare for providers, leading to on average 39 prior authorizations per provider per week. By creating "step therapy" pathways they force patients to try numerous medications, often for many months at a time, (medications that are often less effective and have harsh side effects) before they will approve the medication that would be best for the patient. By forcing patients to use specific "specialty" pharmacies, PBMs limit how and where patients can access their medications and place strain on small independent pharmacies. And through practices like "spread pricing" (where an insurance company is charged more than what the PBM reimburses a pharmacy for a medication) and the practice of paying neighborhood independent pharmacies less than what they must pay for prescription drugs, they are further placing strain on independent pharmacies, forcing many to go

out of business - this means that patients lose an important aspect of choice and local support for their care.

PBMs have come to hold so much power in our system that they can force us to jump through hoop after hoop, delaying or blocking important medical care entirely. We waste countless hours of our time every single day trying to get important medical care covered and explaining to patients why it is that their care is being delayed. This is time we could be spending focussed on actual medical care, or at home with our families in the evenings or on weekends. Primary care physicians are fed up and they see no end in sight.

States that have audited PBMs, and put in place regulations to reign in their more harmful practices, have saved many millions of dollars, and in the process allowed their healthcare systems to operate more effectively.

If you do not want to see the primary care workforce dwindle further and want to preserve access to important medical care for your communities, let's take on this issue, and demand more transparent and more ethical practices of the PBMs operating in our state.

Sincerely,

Katharina de Klerk, DO
Chair of the Advocacy Committee of the Rhode Island Academy of Family Physicians