



June 14, 2021

The Honorable Stephen M. Casey
Chair, House Health and Human Services Committee
82 Smith Street
Providence, RI 02903

Re: S. 497 – Regarding Price Disclosures in Pharmacy Benefits

Dear Chairman Casey & Members of the Health and Human Services Committee:

Thank you for the opportunity to submit written testimony on S 497 on behalf of the Pharmaceutical Care Management Association (“PCMA”). PCMA and its member companies support efforts to reduce prescription drug costs and increase quality standards in the delivery of prescription drugs for large and small employers, health insurers, labor unions, Medicare, Medicaid, and other programs. Respectfully, PCMA opposes this legislation because in attempting to increase patient awareness of drug costs, the legislation could unintentionally allow disclosure of proprietary information.

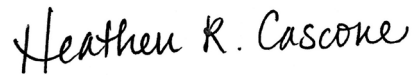
PCMA is the national association for America’s pharmaceutical pharmacy benefit managers, or PBMs. PCMA members include CVS Health, Cigna, OptumRx, and Prime Therapeutics. PBMs help to reduce prescription drug costs and increase quality standards for large and small employers, health insurers, labor unions, Medicare, Medicaid, and other programs. Nationally, PBMs helped patients and payers save \$941 per enrollee per year in prescription drug costs, which is projected to be \$654 billion over the next 10 years.

PCMA believes the patient should always pay the lowest price available at the pharmacy counter for their prescribed drug and should be free to discuss relevant information regarding copays, therapeutic alternatives, and over-the-counter options. PCMA has continually expressed its longstanding support of eliminating so-called “gag-clauses” that would prohibit a pharmacist from discussing with a patient the cost of a prescription drug and therapeutic alternatives, with or without insurance. PCMA and the PBM industry at large have long supported legislative proposals banning these clauses has across the country. PCMA also supported both federal bills that ban gag clauses in Medicare and commercial health programs (“Know the Lowest Price Act of 2018” - S. 2553 and the “Patients’ Right to Know Drug Prices Act” - S. 2554).

Though PCMA supports the patient paying the lowest possible price at the pharmacy, Section 1 of HB 497 could allow for the disclosure of confidential contract terms that could lead to anti-competitive behavior – as indicated with the broad use of the term “reimbursement criteria.” This section could allow a pharmacist to disclose confidential information like how much a pharmacy is reimbursed by a PBM. This confidential reimbursement information is critical to competition in the PBM-pharmacy marketplace. If pharmacies can disclose and subsequently compare reimbursements and other confidential information, it would undermine negotiations between PBMs and pharmacies, leading to anti-competitive behavior and potentially higher prescription drug costs for patients and payers.

We appreciate your consideration of our concerns. If you have any questions, please feel free to reach me at 202-744-8416.

Respectfully,

A handwritten signature in black ink that reads "Heather R. Cascone". The signature is written in a cursive style with a large initial 'H'.

Heather R. Cascone
Assistant Vice President, State Affairs

cc via email: HouseHealthandHumanServices@rilegislature.gov