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The Honorable Joseph J. Solomon, Jr., Chair
House Corporations Committee
Rhode Island House of Representatives

Re: Support for H8360 – Pharmacy Benefit Manager Reform

April 14, 2026

Chairman Solomon and Members of the Committee:

I write in strong support of H8360 on behalf of the Northeast Pharmacy Service Corporation and the Rhode Island Independent Pharmacy Coalition, which represents independent pharmacies serving patients and communities across the state.

H8360 addresses a structural issue in the prescription drug market that has been building for years. Pharmacy benefit managers have evolved from administrative intermediaries into entities that can influence pricing, steer patients, and control access in ways that are not always transparent to patients, providers, or even plan sponsors. This bill recognizes that shift and responds by setting clear guardrails around conduct that distorts the market.

At its core, H8360 brings needed clarity and accountability to practices that have too often operated in the shadows. The bill identifies and prohibits behaviors such as spread pricing, patient steering, and the use of reimbursement mechanisms that reduce payments below contracted rates without disclosure or agreement. These are not theoretical concerns. They are operational realities that independent pharmacies navigate every day.

When reimbursement becomes unpredictable or disconnected from the actual cost of dispensing, the result is not abstract. Pharmacies are forced to make difficult decisions about staffing, services, and in some cases whether they can continue serving certain communities at all. In a state like Rhode Island, where independent pharmacies play a critical role in access to care, particularly in underserved areas, those pressures translate directly into patient impact.

The provisions in H8360 also reinforce an important principle that should guide this market: patients, not intermediaries, should determine where they receive care. By limiting steering and financial inducements tied to affiliated pharmacies, the bill helps preserve patient choice and ensures that decisions are driven by clinical and community considerations rather than vertically integrated business models.

This legislation does not attempt to dismantle the role of PBMs. It simply establishes a baseline of fair dealing. It ensures that if PBMs are going to operate in Rhode Island, they do so with transparency, with accountability, and without leveraging information asymmetry to the detriment of pharmacies and the patients they serve.

From a broader market perspective, H8360 aligns with the direction we are seeing nationally. Policymakers are increasingly recognizing that opaque pricing structures and misaligned incentives can undermine both cost containment and access. Rhode Island has been a leader in addressing these issues, and this bill continues that trajectory in a thoughtful and targeted way.

The independent pharmacies we represent are not asking for special treatment. They are asking for a market that functions as it is supposed to—where contracts are honored, reimbursement reflects reality, and patients retain the ability to choose their pharmacy without interference.

For these reasons, we respectfully urge the Committee to support H8360.

Thank you for your consideration and for your continued leadership on issues affecting patient access and the sustainability of community-based care.

Respectfully submitted,

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Northeast Pharmacy Service Corporation