



February 29, 2024

Honorable Susan Donovan
Chairwoman, House Health & Human Services Committee
Rhode Island State House
Providence, RI 02903

RE: H.7042, An Act Relating to State Affairs and Government – The Rhode Island Health Care Reform Act of 2004 – Health Insurance Oversight
H.7043, An Act Relating to Insurance – Benefit Determination and Utilization Review Act
H.7140, An Act Relating to Businesses and Professions – Pharmaceutical Cost Transparency
H.7364, An Act Relating to Insurance – Accident and Sickness Insurance Policies
H.7625, An Act Relating to Insurance – Accident and Sickness Insurance Policies – Insurance Coverage for Prevention of HIV Infection

Dear Chairwoman Donovan,

The undersigned members of The Rhode Island Business Coalition have concerns relative to the passage of the above-mentioned bills.

For the past few years, the Coalition has expressed concerns on bills such as these because they increase the number of new health insurance mandated benefits to Rhode Island's health system.

H.7042 would regulate price increases for prescription drugs. Any "unsupported" price increase of a prescription drug would be subject to a penalty equal to eight percent (80%) of the difference between the revenue generated by the sales of the prescription drug and the revenue that would have been generated if the manufacturer had maintained the wholesale acquisition cost from the previous calendar year, adjusted for inflation.

H.7043 prohibits insurers from requiring a review for prescription medicine that is used in the treatment of alcohol or opioid use disorder.

H.7140 Requires a list of fifteen drugs of significant cost to be submitted to the Attorney General's office each year. The Attorney General would then require the drug's manufacturers to submit information to justify the cost. Lastly, the bill requires the Department of Health to use the same dispensing fee in its

reimbursement formula for 340B prescription drugs as it uses to pay for non-340B prescription drugs under the Medicaid program.

H.7364 caps the amount that an insured person is required to pay for insulin administration and glucose monitoring equipment and supplies.

H.7625 eliminates prior authorization or step therapy requirement for prescriptions for any HIV prevention drug and prohibits the requirement of any copayment.

Approaching healthcare and health insurance policy in a piecemeal fashion, leads to increased cost to businesses and to individual subscribers. For many years, the Rhode Island General Assembly has passed legislation adding mandated health insurance benefits that have increased the cost of individual, small and large group health insurance premiums across the state.

The Rhode Island Business Coalition urges the General Assembly to create a mandated benefits review committee, comprised of experts from various stakeholder groups. That group could then evaluate all of the submitted proposals, and provide meaningful data to assist the General Assembly in its health care policy deliberations.

Sincerely,