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[www.health.ri.gov](http://www.health.ri.gov)

March 6, 2025

The Honorable Susan R. Donovan, Chair  
House Committee on Health and Human Services  
State House  
82 Smith St.  
Providence, RI 02903

**RE: H 5116 – An Act Relating to Businesses and Professions – Pharmaceutical Cost Transparency**

Dear Chair Donovan:

Please accept this letter with concerns regarding H 5116, legislation that would direct the State Board of Pharmacy, in collaboration with the Rhode Island Department of Health (RIDOH), to annually identify up to 15 prescription drugs on which the State spends significant healthcare dollars due to increases in costs.

This list would be provided to the Rhode Island Office of the Attorney General, and the Office of the Attorney General would require the drugs' manufacturers to submit relevant information and documentation to justify cost increases. The act would also direct RIDOH 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, and to provide information to the General Assembly and the Governor about these programs. The act would also establish an Advisory Commission on out-of-pocket prescription drug costs, and they would study these costs and make reports and recommendations to the Governor and the General Assembly. This act would take effect upon passage.

The sole legislative purpose of the State's pharmacies statute is to ensure that every pharmacy and pharmacist practicing in the State meets minimum standards for safe practice (See: [webserver.rilegislature.gov/Statutes/TITLE5/5-19.1/5-19.1-1.htm](http://webserver.rilegislature.gov/Statutes/TITLE5/5-19.1/5-19.1-1.htm)). Neither RIDOH nor the State board of Pharmacy have the expertise to address issues related to pharmaceutical costs and pharmaceutical cost increases. RIDOH does not have the authority to control reimbursement and is not involved with 340B pricing discounts. 340B is a federally administered program. In addition, neither RIDOH nor the Board of Pharmacy would be able to implement the responsibilities assigned to RIDOH and the Board without adequate resources.

I thank you for the opportunity to comment on the proposed legislation.

Sincerely,

A handwritten signature in black ink that reads "Jerome M. Larkin". The signature is fluid and cursive.

Jerome M. Larkin, MD  
Director

CC: The Honorable John J. Lombardi  
The Honorable Members of the House Committee on Health and Human Services  
Nicole McCarty, Chief Legal Counsel  
Lynne Urbani, Director of House Policy