



March 6, 2025

The Honorable, Susan R. Donovan, Chair

House Health & Human Services Community

Rhode Island Statehouse

Providence, 02903

**RE: Testimony in Support of House Bill Nos. 5302, 5429, 5433, 5620-- An Act Relating to Insurance  
- Prescription Drug Benefits; Third-Party Health Insurance Administrators - Prescription Drug  
Cost Control and Transparency; An Act Relating to State Affairs and Government - The Rhode  
Island Health Care Reform Act of 2004 - Health Insurance Oversight**

On behalf of United Way of Rhode Island, we express our support for **House Bill No. 5302, House Bill No. 5429, House Bill No. 5433, and House Bill No. 5620**, recognizing that healthcare is an essential component of a thriving life and a key driver of economic stability. Through the LIFT UNITED initiative of our LIVE UNITED 2025 Strategic Plan, we work to ensure that all Rhode Islanders—regardless of income—have access to the healthcare services they need to live healthy, stable, and productive lives. Without access to quality healthcare, individuals and families face more significant financial hardship, workforce instability, and economic insecurity.

These bills present an opportunity to remove barriers to care, expand access to prescription medications, increase transparency in drug pricing, and regulate prescription drug cost increases. This legislation will help build a stronger, healthier, more equitable Rhode Island.

**Ensuring Affordable Prescription Medication**

**House Bill No. 5302 - Capping Prescription Costs for Inhalers and Medical Devices**

**House Bill No. 5620 - Regulating Prescription Drug Price Increases**

Prescription drug affordability is one of the greatest challenges facing Rhode Islanders, particularly those managing chronic conditions such as asthma and COPD. According to the Kaiser Family Foundation (KFF, 2023), nearly 1 in 3 adults in the United States have skipped or rationed medication due to high costs, disproportionately impacting low-income individuals and communities of color.

**House Bill No. 5302**, which caps inhaler costs at \$25 per 30-day supply, is a crucial step toward

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ensuring Rhode Islanders can afford life-saving medications without sacrificing other essential needs like food or housing. By setting an upper limit on costs, this bill helps prevent unnecessary emergency room visits and hospitalizations, which drive up healthcare expenditures for families and the state.

Prescription drug price increases outpace inflation, making it increasingly difficult for families to afford necessary treatments. **House Bill No. 5620** establishes oversight of unjustified drug price hikes, ensuring that pharmaceutical companies provide reasonable justifications for increasing prices. According to the Economic Progress Institute's (EPI) Rhode Island Standard of Need Report (2023), a single adult in Rhode Island must earn at least \$44,164 annually (\$21.23 per hour) just to meet basic living expenses—yet many working individuals spend a disproportionate share of their income on medical expenses and prescriptions. Without proper oversight, families are left vulnerable to unexpected and unaffordable medication price increases, forcing them to forgo necessary treatments. Regulating price increases will help mitigate financial hardship and prevent unnecessary health complications.

### **Increasing Insurance Transparency and Accountability**

#### **House Bill No. 5429 – Prescription Drug Cost Transparency and Accountability**

The rising cost of prescription drugs is often shrouded in a lack of transparency, making it difficult for consumers and policymakers to hold pharmaceutical companies and insurers accountable. **House Bill No. 5429** introduces much-needed oversight for pharmacy benefit managers (PBMs) and insurance providers, ensuring that drug pricing structures are clear and equitable. According to the Commonwealth Fund (2023), prescription drug spending in the U.S. has increased by 69% over the past decade, significantly outpacing wage growth. Implementing transparency measures will help identify cost drivers, prevent price gouging, and ensure that Rhode Islanders are not burdened with unjustified price hikes.

#### **House Bill No. 5433 – Prior Authorization Review and Reporting**

Patients requiring urgent or long-term medication therapy often face delays and denials due to prior authorization requirements imposed by insurance companies. **House Bill No. 5433** mandates a review of these prior authorization processes, helping to determine their impact on patient outcomes and access to timely care. A 2023 report from the American Medical Association (AMA) found that 93% of physicians experience care delays due to prior authorization requirements, leading to worsened health conditions and higher long-term healthcare costs. By requiring a state report on these practices, Rhode Island can develop better policies that prioritize patient health over bureaucratic inefficiencies.

### **Expanding Access to Healthcare**

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Prescription drug affordability and insurance transparency are only part of the equation—access to care is a growing challenge for low-income Rhode Islanders and families with high medical costs. According to the Economic Progress Institute (EPI, 2023), healthcare expenses—including insurance premiums, co-pays, and prescriptions—are one of the top three cost burdens for working families in Rhode Island. Without intervention, these rising costs force families to make difficult trade-offs between healthcare, housing, and other essential needs. Ensuring transparent pricing, stronger oversight, and cost control measures will create a more sustainable and equitable healthcare system that supports both individuals and the state's economy.

Healthcare is not a luxury but a fundamental right and a critical factor in economic stability. Ensuring all Rhode Islanders have access to affordable, high-quality care will lead to stronger communities, a healthier workforce, and reduced long-term financial strain on individuals and families. Supporting **House Bill No. 5302, House Bill No. 5429, House Bill No. 5433, and House Bill No. 5620** will help advance health equity and create a Rhode Island where everyone can access the care they need to live with dignity and stability. We urge your support in making healthcare access a priority for all.

Sincerely,

Elijah McLean

Manager, Government Relations & Policy

United Way Rhode Island