



March 24th, 2026

The Honorable Susan Donovan
The Honorable Joshua Giraldo
Members, House Health and Human Services Committee
Room 101 - State House
82 Smith St.
Providence, RI 02903

RE: H 7947 RELATING TO INSURANCE – PHARMACY FREEDOM OF CHOICE – FAIR COMPETITION AND PRACTICES; Opposed

Chair Donovan, Chair Giraldo and Members of the Committee:

The Pharmaceutical Care Management Association (PCMA) is the national association of America's pharmacy benefit managers (PBMs). We appreciate the opportunity to comment on H 7947.

About PBMs

PBMs are hired by employers, unions, government programs and others to drive down prescription drug costs and administer prescription drug plans for more than 289 million Americans. Before getting into specifics on H 7947, there are four things to know about PBMs:

- PBMs are the only part of the drug supply chain whose primary role is to lower prescription drug costs. On average, they save patients and families about \$1,154 per person each year.
- PBMs are extremely effective at reducing prescription drug costs for employers, unions, and patients, which is why some industries that profit from high drug prices oppose them.
- For the enormous savings and value that PBMs provide, they operate on thin profit margins.
- Hiring a PBM is optional. Employers, unions, government programs, and others choose to use PBMs because they help lower drug costs and manage prescription benefits more efficiently. PBMs negotiate lower drug prices, process claims, and perform safety checks.

About H 7947

Patients pay too much for brand name prescription drugs, because drug companies set their prices too high and raise them every year. Copay coupons that drug companies offer are a way for them to prop up these prices and keep them high. Despite the good intentions behind this bill, we believe that H 7947 will result in higher costs for employers, labor unions, and ultimately patients, while codifying into law the business interests of pharmaceutical manufacturers.

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Copay coupons certainly provide patient benefits—they help patients afford expensive medications and improve adherence by reducing out-of-pocket costs. However, for brand-name drug manufacturers, they are a marketing tactic to get patients to use the more expensive medication. Drug manufacturers hand out coupons that lower a patient’s upfront cost, even when a cheaper generic is available. These are not true financial-need programs. They are sales tools. By making the brand drug seem cheaper at the pharmacy counter, the coupons steer patients away from lower-cost generics and toward drugs that cost employers and unions far more overall. Nationwide, the use of coupons has increased health care costs by up to \$2.7 billion in health care costs¹. For this reason, health plans implement programs to minimize the impact the use of these coupons has on premiums—acknowledging some if its positive patient outcomes.

Here’s how it works (and what the drug companies don’t want you to know): drug companies give out a coupon that lowers your copay, so the brand drug looks like the better deal. But the real cost doesn’t go away. The employer or union will pay a higher price to the pharmacy for the brand drug when they could be paying less for a less expensive generic, and that cost is shifted onto everyone else through higher premiums. While the coupon saves one person money at the counter, it drives costs up for the employer and every family in the health plan.

If the prescription is valid and covered by the plan, PBMs will allow patients to use copay coupons at the pharmacy counter. Many plans ask PBMs to operate programs that account for these schemes. It’s not fair to other employees if the coupon counts toward their deductible or out-of-pocket limit because they didn’t actually pay that money. This keeps the health plan working the way it’s supposed to and encourages people to choose lower-cost options when they’re available. If policymakers block these programs, they take away one of the few tools employers and unions use to control rising prescription drug costs. By doing that, these programs protect the plan from unnecessary spending and help keep premiums more stable.

H 7947 will raise costs and put the safety of patients at risk, without addressing the rising prices set by drug manufacturers. PCMA looks forward to working with members of the committee to address high drug prices while preserving tools that improve affordability and patient safety.

Sam Hallemeier

A handwritten signature in black ink, appearing to read "S. Hallemeier", written in a cursive style.

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¹ [When Discounts Raise Costs: The Effect of Copay Coupons on Generic Utilization](#). Leemore Dafny, Christopher Ody, and Matt Schmitt. *American Economic Journal: Economic Policy* 2017, 9(2): 91–123, 116.