

March 31, 2026



The Honorable Louis P. DiPalma, Chair, Senate Committee on Finance

Via email: SenateFinance@rilegislature.gov

RE: House Bill 7127, Article 11, Section 1 (Budget – Pharmacy Benefit Manager reporting)

Dear Chair DiPalma and Members of the Committee:

Thank you for the opportunity to comment on HB 7127, and for your ongoing commitment to transparency in Rhode Island’s health care system. We deeply appreciate the Committee’s dedication to ensuring that policymakers, patients, and stakeholders have access to meaningful and accurate information as you evaluate proposals to improve affordability and accountability.

I represent Prime Therapeutics (Prime), a pharmacy benefit manager (PBM) owned by 19 not-for-profit Blue Cross and Blue Shield Insurers, subsidiaries, or affiliates of those Insurers, including Blue Cross & Blue Shield of Rhode Island. Prime helps people get the medicine they need to feel better and live well by managing pharmacy benefits for health plans, employers, and government programs including Medicare and Medicaid. Our company manages pharmacy claims for more than 30 million people nationally and offers clinical services for people with complex medical conditions. Our business model is built on transparency and advocating for simpler, lowest-net-cost drug pricing. As a company that is not publicly traded or private-equity-owned, our guiding purpose is doing what is right—not maximizing profits.

Recent changes in federal law overlap with many data points sought in HB 7127, Article 11, Section 1.

Congress recently passed the Consolidated Appropriations Act (CAA), which includes significant new federal requirements for PBMs across Medicare and the commercial market. These new mandates require extensive reporting on prescription drug spending, rebates, fees, spread pricing arrangements, and financial relationships between PBMs, manufacturers, brokers, and plan sponsors. Additional proposed rules from the Department of Labor would require further disclosure of direct and indirect compensation for PBMs and affiliated service providers serving self-insured employer health plans.

Together, these federal actions represent broad new transparency and reporting obligations. As Rhode Island evaluates HB 7127, Article 11, Section 1, we respectfully encourage the Committee to consider areas where state requirements may overlap with—yet differ from—these emerging federal standards. Enacting state-level rules before federal changes are fully implemented may create challenges, including:

- **Duplicative reporting obligations** for PBMs and carriers.
- **Inconsistencies** between evolving federal and state definitions and methodologies.
- **Increased administrative costs** from parallel reporting regimes without added value for patients or policymakers.

Prime Therapeutics LLC
2900 Ames Crossing Road, Suite 200
Eagan, MN 55121

PrimeTherapeutics.com
800.858.0723

For these reasons, we respectfully urge the General Assembly not to enact Section 1 of Article 11 at this time; Allowing the federal PBM framework to take effect before layering on additional state requirements will enable more efficient policy development based on proven outcomes.

We welcome the opportunity to continue working with the Committee and remain committed to supporting transparency initiatives that improve patient access and affordability. Thank you again for your thoughtful consideration and for your dedication to transparent, evidence-based policymaking.

Respectfully,



Michelle Crimmins
Government Affairs, Prime Therapeutics

Prime Therapeutics LLC
2900 Ames Crossing Road, Suite 200
Eagan, MN 55121

primetherapeutics.com
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