



March 31, 2026

Dear Chair DiPalma and Members Senate Finance Committee,

SACRI's mission is to mobilize people to implement an agenda that improves the quality of life of older Rhode Islanders and adults with disabilities. In thinking about improving *quality of life*, promoting timely access to needed health and long term care ranks as one of SACRI's top priorities. Several sections of Article 11 of H7127 being heard today deal with health care cost and funding and we offer comments on H7127 Articles 11 sections 1, 12 & 13.

Article 11.

Section 1. As Rx drug costs have outpaced other components of healthcare SACRI supports adding this new Chapter - Pharmacy Benefit Manager Transparency Reporting and Study Act -- to the Insurance laws. It would require comprehensive reporting to OHIC to include aggregate amounts of rebates the PBM received from all pharmaceutical manufacturers for all health carrier clients and for each health carrier clients, amounts retained by the PBM not passed through to health plans, aggregate administrative fees, and responses to standard set of questions on business practices. It would also require the OHIC to provide a report to the Governor and general assembly with an analysis of the information provided by PBMs along with recommendations for improving oversight of PBM's doing business in RI.

Sections 12 & 13. SACRI fully supports requiring the Office of Health Insurance Commissioner to create the "Health Spending Accountability and Transparency Program" as a way to promote affordability and curb the growth of healthcare spending. As healthcare costs become increasingly unaffordable many persons choose to skip medical appointments, skip pill doses or delay going for care to afford other basic necessities. High healthcare costs also hurt our economy as high healthcare costs crowd out employee wage growth. Sections 12 and 13 provide a plan for OHIC to better control healthcare costs by: 1) tying growth to economic indicators including household income, 2) creating and All-payor investment target to help rebalance healthcare spending, 3) promoting transparency through public reporting of the \$9Billion spend on healthcare for R.I.ers, 4) requiring annual public testimony of insurers, large providers, PBMs, employers and consumers and 5) adding enforcement authority by requiring performance improvement plans for large providers and commercial insurers and the ability to levy penalties for excessive cost growth.

Respectfully submitted,
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SACRI