



VIA EMAIL

SLegislation@rilegislature.gov

March 25, 2026

The Honorable Melissa Murray, Chair
Senate Committee on Health and Human Services
Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

RE: Oppose S.B. 2384 setting maximum fair price for selected prescription drugs

Dear Chairperson Murray,

The Ensuring Access through Collaborative Health (EACH) and Patient Inclusion Council (PIC) submit the following comments in opposition to S.B. 2384, legislation that would cap health plan reimbursement for selected prescription drugs to the “maximum fair price” (MFP) negotiated by the federal Medicare program.

EACH/PIC is a two-part coalition that unites patient organizations and allied groups (EACH), as well as patients and caregivers (PIC), to advocate for drug affordability policies that benefit patients. We share with you the goals of lowering patient out-of-pocket (OOP) costs and ensuring all Rhode Islanders can access the medications they need to maintain their health. However, we believe that capping prices at negotiated Medicare payment levels is **ineffective** at lowering patient costs for prescription drugs and could ultimately cause more harm by creating added barriers between patients and their medically necessary treatment. Therefore, we urge you to oppose this legislation.

Our coalition believes that medical determinations regarding which medications are right for each patient should be made solely by the patient and their healthcare providers, not federal and state bureaucrats. We have strongly opposed upper payment limits (UPLs) or “price controls” being set by Prescription Drug Affordability Boards (PDABs) in four states, as they create a new incentive structure for payers that is likely to compromise patient access to selected medications, as those drugs could be removed from drug formularies or shifted to higher cost-sharing tiers.

S.B. 2384 effectively allows Rhode Island insurance regulators to impose the same UPLs or price controls for certain drugs by simply defaulting to the Medicare MFP. However, MFPs were determined based on costs under the Medicare program, which are not reflective of the very different and diverse patient populations served by commercial and state health plans in Rhode Island.

Furthermore, applying the Medicare MFP does not guarantee patients will realize any or all of the savings from the lower list price. There is no mechanism for the Division of Insurance to ensure that state-regulated plans alter their cost-sharing designs for drug products with MFPs,



nor does the Division have the authority to regulate large-group and self-funded plans governed by federal ERISA law (as the current version of S.B. 2384 acknowledges).

Instead, the price caps could threaten patient access to critically needed drug therapies. Patients like myself with rare or chronic disorders typically endure a lifelong journey to identify treatments that work best for their specific condition. Treatment plans often consist of multiple medications, taken concurrently to successfully manage symptoms and/or prevent disease progression. These treatment plans are often complicated, personalized, and cannot be easily altered. Forcing patients to change or substitute specific drug products based on cost considerations instead of medical need disrupts the continuity of care, leading to adverse and significantly more costly health outcomes.

These adverse impacts are not speculative. As shown below, health plans are likely to place drugs subject to UPLs on higher formulary tiers or implement other utilization management tactics to steer patients away from these drugs. This leads to higher OOP costs for patients who face increased copay or coinsurance rates to retain access to that drug (or be switched to costlier drug for which the plan receives higher reimbursement). Recent research from the [Pioneer Institute](#) has shown this is already occurring under the Medicare Drug Price Negotiation Program, where patient **OOP costs have increased by an average of 32 percent** even before the maximum fair price caps for the first round of drugs went into effect in January.¹

The results of EACH/PIC's [Patient-Reported Affordability and Unaffordability Survey](#) further demonstrate why price setting is the "wrong tool" to reduce patient drug costs. Responses from more than 500 patients clearly show that **affordability is not dictated by the list price of a drug** but instead driven by health insurance barriers, income, and evolving life situations. The results also confirmed **health inequities** that could be exacerbated by price setting, as people of color were less likely to have access to specialty medications.

In addition, [recent research from Avalere Health](#) confirms that more than 3/4 of health plans believe price caps will **disrupt patient access** to needed medications through higher cost-sharing, rebate adjustments, or other supply chain issues (such as pharmacies not stocking those drugs). The [Value of Care Coalition survey](#) of rheumatologists and other specialty doctors shows that nearly all believe price caps will result in **non-medical switching**, where patients are forced to accept inferior and often ineffective/harmful therapies due solely to an upper payment limit and not their personal needs. In fact, more than half of rheumatologists would *avoid prescribing a drug* with an upper payment limit/price cap.

For these reasons, we urge your committee to reject ineffective and counterproductive proposals like S.B.2384 and instead focus on *patient-driven* reforms that remove barriers to care that drive up costs for patients and providers. More effective reforms include measures to make monthly drug costs more predictable for patients, delink pharmacy benefit manager revenue from drug prices (as enacted by Colorado and Congress), and banning harmful copay diversion programs that deny patients access to critically-needed medications.

¹ See [Pioneer Institute Launches Tracker Showing Drug Price Controls Are Raising Out-of-Pocket Costs for Medicare Patients | Pioneer Institute](#) (May 9, 2025).



Thank you for considering the input of patients. Please feel free to contact me at mark@aiarthritis.org with any questions or additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Hobraczek". The signature is fluid and cursive, written over a light gray background.

Mark Hobraczek, JD, MPA
Director of Public Policy, AiArthritis
Legislative Lead, EACH/PIC Coalition
Person living with Ankylosing Spondylitis