



March 26, 2026

The Honorable Melissa Murray  
Chairperson, Senate Committee on Health and Human Services  
Rhode Island State House  
82 Smith Street  
Providence, RI 02903

RE: Letter regarding S3059– AN ACT RELATING TO INSURANCE – PHARMACY FREEDOM OF CHOICE – FAIR COMPETITION AND PRICES

Dear Chairperson Murray:

I write on behalf of the State of Rhode Island Office of the Health Insurance Commissioner (OHIC) regarding [Senate Bill 3059](#). This bill seeks to regulate pharmacy benefit managers (PBMs). To improve clarity, enforceability and implementation of the requirements set forth in this bill, OHIC respectfully shares the following recommendations.

OHIC recommends presently omitting the amendments to § 27-29.1-11 from this bill, in favor of supporting the report set forth in the Pharmacy Benefit Manager Transparency Reporting and Study Act, found in Article 11, section 1 of the Governor’s Budget.

OHIC respectfully requests clarification within the bill as to whether DBR or OHIC has jurisdiction over the provisions proposed under the bill. Under § 27-29.1-1 (page 1, line 6), “director” is defined as the director of the department of business regulation. The term “director” is used throughout the bill; however, under § 27-29.1-11, health insurance commissioner is charged with evaluating “the impact of pharmacy benefit manager practices and operations on health insurance costs in Rhode Island and shall submit a report of findings and recommendations to the general assembly on or before March 31, 2027.” Failure to provide this clarification will result in significant enforcement and implementation challenges.

OHIC notes that the provisions of S3059, and their enforceability, are dependent on the passage of S3060. This is because S3059 references Chapter 84 of Title 27, on page, 3 line 6, and there is currently no Chapter 84 of Title 27; however, S3060 would create Chapter 84 of Title 27.

OHIC recommends that the language of proposed § 27-29.1-10 be revised to address the following concerns:

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- the bill states “the total cost of the enforcement shall be borne by the pharmacy benefit manager(s) and/or insurers...” but fails to specify what section or chapter of law the enforcement of which is being referenced;
- replacing “complaint” with “investigation, examination or enforcement action” to better ensure funding for enforcement actions;
- revising the phrase “shall include the following expenses” with “shall include, without limitation, the following expenses”, to better ensure funding for enforcement actions; and
- adding a subsection to § 27-29.1-10 that specifies that the costs of enforcement to be borne by the regulated entities includes the “the reasonable expenses of any experts, consultants, and contractors retained by the relevant agency.”

Additionally, OHIC respectfully requests the following:

- at least two additional FTEs be created for whichever state agency is tasked with conducting the work required under this bill; and
- delaying the effective date of this bill to no earlier than 1/1/2028 in order to stand up complex licensing and related regulations, instructions as well as reviewers with the necessary expertise.

Finally, OHIC wishes to bring to the attention of the committee that the recently enacted federal [Consolidated Appropriations Act of 2026](#), includes extensive new federal reforms for pharmacy benefit managers, focused on rebate pass-through, increased transparency, standardized reporting, and expanded federal oversight.

Thank you for your continued leadership and hard work on all matters related to the health of Rhode Islanders.

Sincerely,



Cory B. King  
Health Insurance Commissioner

CC: Honorable Members of the Senate Committee on Health and Human Services  
Honorable Robert Britto  
Kristen Silvia, Director of Legislation and Deputy Chief of Staff

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