

2025 -- S 0477

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO INSURANCE -- PRESCRIPTION DRUG BENEFITS

Introduced By: Senators Britto, Zurier, DiPalma, Tikoian, Urso, Lawson, Gallo, Euer,  
McKenney, and DiMario

Date Introduced: February 26, 2025

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 27-20.8-1 of the General Laws in Chapter 27-20.8 entitled  
2 "Prescription Drug Benefits" is hereby amended to read as follows:

3           **27-20.8-1. Definitions.**

4           For the purposes of this chapter, the following terms shall mean:

5           (1) "Cost sharing" shall mean any copayment, coinsurance, deductible, or annual limitation  
6 on cost sharing (including, but not limited to, a limitation subject to 42 U.S.C. §§ 18022(c) and  
7 300gg-6(b)), required by or on behalf of an enrollee in order to receive a specific health care service,  
8 including a prescription drug, covered by a health plan, whether covered under the medical or  
9 pharmacy benefit.

10           ~~(1)~~(2) "Director" shall mean the director of the department of business regulation.

11           ~~(2)~~(3) "Health plan" shall mean an insurance carrier as defined in chapters 18, 19, 20, and  
12 41 of this title.

13           ~~(3)~~(4) "Insured" shall mean any person who is entitled to have pharmacy services paid by  
14 a health plan pursuant to a policy, certificate, contract, or agreement of insurance or coverage  
15 including those administered for the health plan under a contract with a third-party administrator  
16 that manages pharmacy benefits or pharmacy network contracts.

17           (5) "Insurer" shall mean any person, firm, or corporation offering and/or insuring  
18 healthcare services on a prepaid basis, including, but not limited to, a nonprofit service corporation,  
19 a health maintenance organization, the Rhode Island Medicaid program, including its contracted

1 managed care entities, or an entity offering a policy of accident and sickness insurance.

2 (6) "Person" shall mean a natural person, corporation, mutual company, unincorporated  
3 association, partnership, joint venture, limited liability company, trust, estate, foundation, nonprofit  
4 corporation, unincorporated organization, or government or governmental subdivision or agency.

5 (7) "Pharmacy benefit manager" shall mean any person or business who administers the  
6 prescription drug or device program of one or more health plans on behalf of a third party in  
7 accordance with a pharmacy benefit program. This term includes any agent or representative of a  
8 pharmacy benefit manager hired or contracted by the pharmacy benefit manager to assist in the  
9 administering of the drug program and any wholly or partially owned or controlled subsidiary of a  
10 pharmacy benefit manager.

11 SECTION 2. Chapter 27-20.8 of the General Laws entitled "Prescription Drug Benefits" is  
12 hereby amended by adding thereto the following section:

13 **27-20.8-5. Cost sharing calculation.**

14 (a) When calculating an enrollee's overall contribution to any out-of-pocket maximum or  
15 any cost sharing requirement under a health plan, an insurer or pharmacy benefit manager shall  
16 include any amounts paid by the enrollee or paid on behalf of the enrollee by another person that  
17 is either:

18 (1) Without a generic equivalent; or

19 (2) With a generic equivalent where the enrollee has obtained access to the prescription  
20 drug through any of the following:

21 (i) Prior authorization;

22 (ii) A step therapy protocol;

23 (iii) The health care plan or carrier's exceptions and appeals process.

24 (b) If under federal law, application of subsection (a) of this section would result in Health  
25 Savings Account ineligibility under § 223 of the federal Internal Revenue Code, this requirement  
26 shall apply only for Health Savings Account qualified High Deductible Health Plans with respect  
27 to the deductible of such a plan after the enrollee has satisfied the minimum deductible under §  
28 223, except for items or services that are preventive care pursuant to § 223(c)(2)(C) of the federal  
29 Internal Revenue Code, in which case the requirements of subsection (a) of this section shall apply  
30 regardless of satisfaction of the minimum deductible under § 223.

31 (c) This section shall apply with respect to health plans that are entered into, amended,  
32 extended, or renewed on or after January 1, 2026.

1 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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1           This act would include any costs paid by an enrollee or on behalf of the enrollee by a third  
2 party when calculating an enrollee's overall contribution to any out-of-pocket maximum or cost  
3 sharing requirement under a health plan as of January 1, 2026.

4           This act would take effect upon passage.

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