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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

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A N A C T

RELATING TO INSURANCE -- PHARMACY FREEDOM OF CHOICE -- FAIR
COMPETITION AND PRACTICES

Introduced By: Representative Charlene Lima

Date Introduced: February 26, 2026

Referred To: House Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-29.1-1 of the General Laws in Chapter 27-29.1 entitled "Pharmacy
2 Freedom of Choice — Fair Competition and Practices" is hereby amended to read as follows:

3 **27-29.1-1. Definitions.**

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

5 (1) "Director" shall mean the director of the department of business regulation.

6 (2) "Eligible bidder" shall mean a retail pharmacy, community pharmacy, or pharmacy
7 department registered pursuant to chapter 19.1 of title 5, irrespective of corporate structure or
8 number of locations at which it conducts business, located within the geographical service area of
9 a carrier and willing to bid for participation in a restricted pharmacy network contract.

10 (3) "Insured" shall mean any person who is entitled to have pharmacy services paid by an
11 insurer pursuant to a policy, certificate, contract, or agreement of insurance or coverage.

12 (4) "Insurer" shall mean an insurance carrier as defined in chapters 18, 19, 20, and 41 of
13 this title.

14 (5) "Nonrestricted pharmacy network" shall mean a network that permits any pharmacy to
15 participate on substantially uniform terms and conditions established by an insurer or pharmacy
16 benefits manager.

17 (6) "Pharmacy benefits manager" shall mean any person or entity who or that is not
18 licensed in Rhode Island as an insurer and that develops or manages pharmacy benefits, pharmacy

1 network contracts, or the pharmacy benefit bid process.

2 (7) "Prescriber" shall mean any healthcare professional licensed pursuant to the laws of
3 this state and authorized to prescribe drugs to patients to treat or manage any condition of the body
4 or mind.

5 ~~(7)~~(8) "Restricted pharmacy network" shall mean an arrangement for the provision of
6 pharmaceutical drug services to insureds that under the terms of an insurer's policy, certificate,
7 contract, or agreement of insurance or coverage requires an insured or creates a financial incentive
8 for an insured to obtain prescription drug services from one or more participating pharmacies that
9 have entered into a specific contractual relationship with the carrier.

10 SECTION 2. Chapter 27-29.1 of the General Laws entitled "Pharmacy Freedom of Choice
11 — Fair Competition and Practices" is hereby amended by adding thereto the following section:

12 **27-29.1-7.1. Acceptance of prescriber's-recommended drug.**

13 (a) A pharmacy benefits manager shall accept and honor a prescriber's chosen prescription
14 drug for a patient.

15 (b) A pharmacy benefits manager is prohibited from substituting, denying, rejecting, or
16 otherwise failing to authorize coverage for a prescription drug selected by a prescriber for a patient
17 on the basis of the pharmacy benefits manager's own clinical judgment, cost containment protocol,
18 formulary preference, or step therapy requirement.

19 (c) Any pharmacy benefits manager's action that results in the denial, delay, or
20 modification of a prescriber's chosen drug for a patient shall be deemed an unlawful interference
21 with the practice of medicine and shall be subject to penalties instituted by the director of the
22 department of business regulation.

23 (d) The director of the department of business regulation or the director's designee shall
24 promulgate rules, regulations, and penalties necessary to implement this chapter.

25 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 prohibit pharmacy benefits managers from refusing to provide coverage for
- 2 a prescription drug chosen for a patient by the patient's healthcare provider.
- 3 This act would take effect upon passage.

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