

Human Services Committee JOINT FAVORABLE REPORT

Bill No.: HB-7192

AN ACT IMPLEMENTING RECOMMENDATIONS OF THE BIPARTISAN DRUG

Title: TASK FORCE.

Vote Date: 3/14/2025

Vote Action: Joint Favorable

PH Date: 3/11/2025

File No.: 414

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SPONSORS OF BILL:

Human Services Committee

CO-SPONSORS OF BILL:

Sen. Martin M. Looney, 11th Dist., Rep. Tom Delnicki, 14th Dist.

REASONS FOR BILL:

The cost of prescription drugs is increasing much faster than other costs and Americans pay the substantially higher prices for drugs than other developed countries. One possible contributor to the rise is the increased use and practices of Pharmacy Benefit Managers (PBMs). This bill seeks to provide more oversight PBMs and would delink PBMs compensation from drug prices and would also enhance transparency in rebate practices and allow for drug importation from out of state.

These proposals come from bipartisan work of the drug task force. With more oversight of PBMs and delinking their compensation from drug prices, we can see a more equitable and fairer system for residents as we see prescription drug prices continue to climb. And importing drugs from places like Canada, will provide more tools to combat rising costs.

RESPONSE FROM ADMINISTRATION/AGENCY:

[Connecticut Department of Social Services, \(DSS\), Commissioner, Andrea Barton Reeves:](#) supports this bill and its potential to improve prescription drug affordability through Canadian importation while ensuring cost containment and quality. Additionally, they appreciate the bill's focus on emergency preparedness for drug shortages and are eager to contribute to related task force efforts.

[Connecticut Office of Health Strategy, Commissioner, Deidre S. Gifford, MD, MPH](#): supports this bill and the important steps it takes to addressing the rising cost of prescription drug prices. They add that these initiatives align with the Governor.

NATURE AND SOURCES OF SUPPORT:

[Connecticut General Assembly, Senate President Pro Tem, Martin Looney](#): supports this bill and celebrates the bipartisan collaboration that brought this forward. They add it includes incredible patient protections by including fiduciary duty on PBMs. They also support addressing the spread pricing by PBMs through the drug reimportation program.

[PhRMA, Senior Director, Rachel Cottle Latham](#): supports this bill as it would hold Pharmacy Benefit Managers accountable and lower prescription drug costs by eliminating PBM practices that create financial conflicts of interest. The legislation would delink PBM compensation from drug prices and enhance transparency in rebate practices, ensuring that cost savings benefit patients rather than middlemen. They oppose provisions related to drug importation, citing concerns about patient safety, regulatory challenges, and doubts about significant cost savings.

[Connecticut General Assembly, State Senator, Jeff Gordon, MD](#): supports this bill as an essential piece for improving prescription drug affordability in Connecticut by addressing the role of pharmacy benefit managers.

[Nutmeg Pharmacies, PharmD, Greg McKenna](#): supports this bill and in their view addresses the failure of pharmacy benefit managers to act in good faith, as they have prioritized profit over cost control by engaging in spread pricing, collecting excessive rebates, and steering patients toward affiliated pharmacies without improving adherence or reducing expenses.

[Middlesex Chamber of Commerce, Government Affairs, Sara Mendillo](#): appreciate components of the bill however, they argue that the pay-for-performance incentives for PBMs are important in private healthcare to secure savings for drug price; which this bill would ban. They ask that these provisions be removed.

[National Association of Chain Drug Stores \(NACDS\), Director, Ben Pearlman](#): supports this bill and argue that PBMs operate with minimal regulation and contribute to higher drug prices. They add that HB 7192 is an important step to reel in PBMs and give citizens access to cheaper prescription drugs.

[Northeast Pharmacy Service Corporation, \(NPSC\), VP of Network Development, PharmD, Ed Schreiner Jr.](#): supports this bill and the legislatures' goal of reducing drug costs. They add that this bill brings much-needed transparency to the prescription drug market by addressing the anticompetitive practices of pharmacy benefit managers, which drive up costs and limit patient access to affordable medications. By prohibiting spread pricing, delinking PBM profits from drug costs, and requiring fiduciary responsibility, the bill aims to lower consumer prices and ensure fair reimbursement practices for pharmacies.

[AARP Connecticut, Associate State Director Advocacy, Natalie Shurtleff](#): reminds that prescription drug prices are among the highest in the world, and importation of prescription drugs would help to lower prices on some prescription drugs. They also support increased transparency as outlined in section 3.

[Connecticut Citizen Action Group \(CCAG\), Tom Swan](#): supports this bill and the hard work the task force went through to create a strong bipartisan bill. They add that they are pleased that PBMs are being addressed.

[CT Pharmacists Association, CEO, Nathan Tinker](#): strongly supports this bill and adds that stronger PBM oversight is very much needed, and they have led to continued higher prescription prices.

NATURE AND SOURCES OF OPPOSITION:

[Pharmaceutical Care Management Association \(PCMA\), Senior Director of State Affairs, Sam Hallemeier](#): opposes this bill and represents PBMS; they argue this will not alleviate rising drug prices and will actually increase prices in many cases. They add that the delinking provision will increase premiums.

[CT Association of Health Plans, Executive Director, Susan Halpin](#): opposes this bill and provides section by section summaries of their reasoning. Overall, they argue this would increase healthcare costs and destabilize balanced benefit designs. They add that the flexibility to determine contracts is critical to meet the needs of their employers and sponsors.

[Bioscience Growth Council, Senior Council Executive Director, Paul Pescatello](#): opposes this bill and the myriad of changes that it would create in the healthcare sector. They state the price control provisions would have a negative impact as well as importing drugs from Canada.

Reported by: Christian Talarski

Date: 4/4/2025