



BRAD LITTLE
GOVERNOR

April 1, 2024

The Honorable Mike Moyle
Speaker of the House
Idaho House of Representatives
Hand Delivered

Dear Mr. Speaker,

I hereby advise you that I have signed on April 1, 2024, and transmitted to the Office of the Secretary of the State, with my approval, the following House bill, to wit:

H 596aaS

within the time prescribed by law, the same having arrived in the Office of the Governor at the hour of 4:15 p.m. on March 26, 2024.

I signed House Bill 596aaS, with reluctance. I am supportive of pharmacy benefit managers reform and share the same concerns as the bill sponsors related to drug pricing. However, I am concerned this bill creates government interference in private contracts between businesses, and I fear it may ultimately increase costs for consumers.

House Bill 596aaS defines the specific type of contracts that health insurance plans can utilize to manage pharmacy costs, and the bill mandates an unspecified dispensing fee for prescription drugs. I am concerned these provisions could unintentionally result in increased health insurance costs that ultimately get passed on to employers in their employee benefit plans or in higher deductibles and premiums for individuals, or both, including our own state health benefit plan.

I appreciate the bill sponsors for taking on this complicated issue. While I am not convinced this is the perfect solution, I agree there is a need to increase transparency and eliminate fraud, waste, and abuse in providing pharmacy benefits. I also agree we need to ensure all Idahoans have access to the medicines they need through a system of pharmacies throughout the state and that our policies should ensure pharmacists are able to continue providing services to our citizens.

I signed this bill with the expectation that stakeholders will monitor these concerns and are prepared to act accordingly in future legislative sessions until we find the right resolution for Idaho businesses and consumers.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Little", written in a cursive style.

Brad Little
Governor of Idaho