

HB0016S01 compared with HB0016

~~{deleted text}~~ shows text that was in HB0016 but was deleted in HB0016S01.

inserted text shows text that was not in HB0016 but was inserted into HB0016S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will not be completely accurate. Therefore, you need to read the actual bill. This automatically generated document could experience abnormalities caused by: limitations of the compare program; bad input data; the timing of the compare; and other potential causes.

Representative Evan J. Vickers proposes the following substitute bill:

PHARMACY BENEFITS MANAGER ACT

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

Senate Sponsor: _____

LONG TITLE

~~{Committee Note:~~

~~_____The Health and Human Services Interim Committee recommended this bill.~~

~~{General Description:~~

This bill enacts the Pharmacy Benefits Manager Act.

Highlighted Provisions:

This bill:

- defines terms;
- ~~{requires}~~provides that a pharmacy benefits manager ~~{that provides a service to a health benefit plan to provide an itemized statement when:~~

~~_____• requesting or accepting}~~may not request or accept payment or reimbursement ~~{for a pharmacy service}~~to or from a health benefit plan~~{, or~~

~~_____• disclosing an expenditure}~~ for providing a pharmacy service, unless, on at least

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a monthly basis, the pharmacy benefits manager submits to ~~the~~ the health benefit plan an invoice for all pharmacy services paid by the pharmacy benefits manager on behalf of the health benefit plan since the last request for payment or reimbursement;

- ▶ provides that an invoice described in this bill shall state, as a separate item from any other amount:
 - the total amount due to the pharmacy benefit manager for all pharmacy services billed in the invoice; and
 - the total amount paid by the pharmacy benefit manager for the same pharmacy services for which payment is sought in that invoice; and
- ▶ makes it a misdemeanor violation of the Unfair Practices Act to violate the requirements of this act.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

13-48-101, Utah Code Annotated 1953

13-48-102, Utah Code Annotated 1953

13-48-201, Utah Code Annotated 1953

13-48-301, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **13-48-101** is enacted to read:

CHAPTER 48. PHARMACY BENEFITS MANAGER ACT

Part 1. General Provisions

13-48-101. Title.

This chapter is known as the "Pharmacy Benefits Manager Act."

Section 2. Section **13-48-102** is enacted to read:

13-48-102. Definitions.

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As used in this chapter:

(1) "Health benefit plan" means:

(a) a health benefit plan as defined in Section 31A-1-301; or

(b) a health, dental, medical, Medicare supplement, or conversion program offered under Title 49, Chapter 20, Public Employees' Benefit and Insurance Program Act.

~~{ (2) "Itemized statement" means a statement, itemized by individual claim, that includes:~~

~~— (a) the amount actually paid or to be paid to the pharmacy or pharmacist for a pharmacy service;~~

~~— (b) the identity of the pharmacy or pharmacist paid or to be paid; and~~

~~— (c) the prescription number or other identifier of the pharmacy service.~~

~~† (3) 2~~ "Pharmacist" is as defined in Section 58-17b-102.

~~(4) 3~~ "Pharmacy" is as defined in Section 58-17b-102.

~~(5) 4~~ "Pharmacy benefits management service" means any of the following services provided to a health benefit plan, or to a participant of the health benefit plan:

(a) negotiating the amount to be paid by a health benefit plan for a prescription drug; or

(b) administering or managing prescription drug benefits provided by the health benefit plan for the benefit of a participant of the health benefit plan, including:

(i) mail service pharmacy;

(ii) specialty pharmacy;

(iii) claims processing;

(iv) payment of a claim;

(v) retail network management;

(vi) clinical formulary development;

(vii) clinical formulary management services;

(viii) rebate contracting;

(ix) rebate administration;

(x) a participant compliance program;

(xi) a therapeutic intervention program;

(xii) a disease management program; or

(xiii) a service that is similar to, or related to, a service described in Subsection

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~~(5)(4)~~(a) or ~~(5)(4)~~(b)(i) through (xii).

~~(6)(5)~~ "Pharmacy benefits manager" means a person that provides a pharmacy benefits management service to a health benefit plan.

~~(7)(6)~~ "Pharmacy service" means a product, good, or service provided by a pharmacy or pharmacist to an individual.

Section 3. Section 13-48-201 is enacted to read:

Part 2. Disclosures and Payment

13-48-201. ~~Itemized statement required.~~

~~(1) A} Invoice required for payment or reimbursement -- Protection for proprietary information.~~

~~(1) Except as provided in Subsection (4), a pharmacy benefits manager may not request or accept payment or reimbursement to or from a health benefit plan for providing a pharmacy service, unless, on at least a monthly basis, the pharmacy benefits manager provides an itemized statement} submits to the health benefit plan an invoice for {the} all pharmacy {service.~~

~~(2) When a pharmacy benefits manager reports an expenditure to a health benefit plan for a pharmacy service,} services paid by the pharmacy benefits manager { shall include in the expenditure report an itemized statement for the pharmacy service} on behalf of the health benefit plan since the last request for payment or reimbursement.~~

~~(2) An invoice described in Subsection (1) shall state, as a separate item from any other amount:~~

~~(a) the total amount due to the pharmacy benefit manager for all pharmacy services billed in the invoice; and~~

~~(b) the total amount paid by the pharmacy benefit manager for the same pharmacy services for which payment is sought in that invoice.~~

~~(3) Subject to the requirements of law, a pharmacy benefits manager may, by contract with a health benefit plan, protect proprietary information contained in an {itemized statement} invoice described in this section from disclosure by the health benefit plan.~~

~~(4) A pharmacy benefits manager is not required to comply with this section with respect to a health benefit plan that:~~

~~(a) owns, or has a controlling interest in, the pharmacy benefits manager;~~

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(b) is owned, in whole or in part, by the pharmacy benefits manager, if the pharmacy benefits manager has a controlling interest in the health benefit plan; or

(c) is owned, in whole or in part, by a person who has a controlling interest in:

(i) the health benefit plan; and

(ii) the pharmacy benefits manager.

Section 4. Section **13-48-301** is enacted to read:

Part 3. Enforcement

13-48-301. Penalty for violation.

A person who violates this section has engaged in an unfair and deceptive trade practice in violation of Title 13, Chapter 5, Unfair Practices Act, and is subject to the penalties described in Section 13-5-15.

†

Legislative Review Note

as of 11-18-10 6:49 AM

Office of Legislative Research and General Counsel