

HB0016S02 compared with HB0016S01

~~{deleted text}~~ shows text that was in HB0016S01 but was deleted in HB0016S02.

inserted text shows text that was not in HB0016S01 but was inserted into HB0016S02.

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}~~ Senator Curtis S. Bramble proposes the following substitute bill:

PHARMACY BENEFITS MANAGER ACT

2011 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

Senate Sponsor: ~~{~~ Curtis S. Bramble

LONG TITLE

General Description:

This bill enacts the Pharmacy Benefits Manager Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ provides that when the Utah State Retirement Board (board) issues a request for proposals (RFP) for 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}~~ (PBM) to provide pharmacy benefits management services for the Public Employees' Benefit and Insurance Program (program), the RFP shall require that each responder include, among the billing options proposed,

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a billing option that requires the PBM to, on at least a monthly basis, ~~{the pharmacy benefits manager submits}~~ submit to the ~~{health benefit plan}~~ board an invoice for all pharmacy services paid by the ~~{pharmacy benefits manager}~~ PBM on behalf of the ~~{health benefit plan}~~ program since the last request for payment or reimbursement; and

- ▶ provides that an invoice described in ~~{this bill}~~ the preceding paragraph 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}~~ 49-20-501, Utah Code Annotated 1953

~~{13-48-102}~~ 49-20-502, Utah Code Annotated 1953

~~{13-48-201}~~ 49-20-503, 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 ~~{13-48-1}~~ 49-20-501 is enacted to read:

~~{CHAPTER 48. PHARMACY BENEFITS MANAGER ACT~~

~~Part 1. General Provisions~~

~~13-48-101}~~ Part 5. Pharmacy Benefits Manager Act

49-20-501. Title.

This ~~{chapter}~~ part is known as the "Pharmacy Benefits Manager Act."

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Section 2. Section ~~{13-48-1}~~49-20-502 is enacted to read:

~~{13-48-102}~~49-20-502. **Definitions.**

As used in this ~~{chapter}~~part:

(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) "Pharmacist" is as defined in Section 58-17b-102.

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

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

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

(6) "Pharmacy service" means a product, good, or service provided by a pharmacy or f

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pharmacist to an individual.

Section 3. Section ~~{13-48-201}~~49-20-503 is enacted to read:

~~{Part 2. Disclosures and Payment~~

‡ ~~{13-48-201}~~49-20-503.~~{ Invoice required for payment or reimbursement =~~
Protection for proprietary information.

~~—— (1) Except as provided in Subsection (4),~~ Request for proposals for pharmacy benefits manager for Public Employees' Benefit and Insurance Program.

(1) When the board issues a request for proposals for 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}to provide pharmacy benefits management services for
the program, the request for proposals shall require that each responder include, among the
billing options proposed, a billing option that complies with the requirements described in this
section.

(2) The billing option described in Subsection (1) shall require the pharmacy benefits
manager to, on at least a monthly basis, {the pharmacy benefits manager submits} submit to the
{health benefit plan} board an invoice for all pharmacy services paid by the pharmacy benefits
manager on behalf of the {health benefit plan} program since the last request for payment or
reimbursement.

~~{2}3) {An} The~~ The invoice described in Subsection ~~{1}2~~ shall state, as a separate item
from any other amount:

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

(b) the total amount paid by the pharmacy {benefit} benefits 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 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.~~

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