{deleted text} shows text that was in HB0016S02 but was deleted in HB0016S03. inserted text shows text that was not in HB0016S02 but was inserted into HB0016S03.

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.

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 (PBM) to provide pharmacy benefits management services for the Public Employees' Benefit and Insurance Program (program), the RFP shall {require that}provide each responder with the option to include, among the billing options proposed, a billing option that requires the PBM to, on at least a monthly basis, submit to the board an invoice for all pharmacy services paid by the PBM on behalf of the program since the last request

for payment or reimbursement; and

- provides that an invoice described in 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.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

49-20-501, Utah Code Annotated 1953

49-20-502, Utah Code Annotated 1953

49-20-503, Utah Code Annotated 1953

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

Section 1. Section **49-20-501** is enacted to read:

Part 5. Pharmacy Benefits Manager Act

49-20-501. Title.

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

Section 2. Section **49-20-502** is enacted to read:

49-20-502. Definitions.

As used in this 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 pharmacist to an individual.

Section 3. Section **49-20-503** is enacted to read:

<u>49-20-503.</u> 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 to provide pharmacy benefits management services for the program, the request for proposals shall {require that}provide each responder with the option to 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, submit to the board an invoice for all pharmacy services paid by the pharmacy benefits manager on behalf of the program since the last request for payment or reimbursement.

(3) The invoice described in Subsection (2) shall state, as a separate item from any other amount:

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

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