

SB0208S03 compared with SB0208S02

~~{deleted text}~~ shows text that was in SB0208S02 but was deleted in SB0208S03.

Inserted text shows text that was not in SB0208S02 but was inserted into SB0208S03.

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 bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

~~{Senator Evan J. Vickers}~~Representative Paul Ray proposes the following substitute bill:

PHARMACY BENEFITS MANAGER OR COORDINATOR

AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Evan J. Vickers

House Sponsor: ~~{_____}~~Paul Ray

LONG TITLE

General Description:

This bill amends the Pharmacy Practice Act.

Highlighted Provisions:

This bill:

- ▶ defines terms:
- ▶ requires a pharmacy benefits manager or coordinator that uses direct or indirect remuneration to report certain information to pharmacies or the pharmacies' pharmacy services administration organization; and
- ▶ prohibits a pharmacy benefits manager or coordinator from preventing a pharmacist from disclosing cost information to a patient.

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Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

58-17b-626, Utah Code Annotated 1953

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

Section 1. Section **58-17b-626** is enacted to read:

58-17b-626. Direct or indirect remuneration by pharmacy benefits managers --

Disclosure of customer costs.

(1) As used in this section:

(a) "Cost share" means the amount paid by ~~{a}~~ an insured customer ~~};~~

~~— (i) with or without coverage by a } under the customer's health benefit plan ~~};~~~~

~~— (ii) with or without copays, deductibles, or coinsurance; and~~

~~— (iii) with or without assistance from a drug manufacturer or others }.~~

(b) ~~{(i)}~~ "Direct or indirect remuneration" means any adjustment in the total compensation:

~~{A}~~ i) received by a pharmacy from a pharmacy benefits manager or coordinator for the sale of a drug, device, or other product or service; and

~~{B}~~ ii) that is determined after the sale of the product or service.

~~{~~ ii) "Direct or indirect remuneration" includes performance-based adjustments.

~~}~~ (c) "Health benefit plan" means the same as that term is defined in Section 31A-1-301.

(d) "Pharmacy services administration organization" means an entity that contracts with a pharmacy to assist with third-party payer interactions and administrative services related to third-party payer interactions, including:

(i) contracting with a pharmacy benefits manager or coordinator on behalf of the pharmacy; and

(ii) managing a pharmacy's claims payments from third-party payers.

(e) (i) "Reimbursement report" means a report on the adjustment in total compensation

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for a claim.

(ii) "Reimbursement report" does not include a report on adjustments made pursuant to a pharmacy audit or reprocessing.

~~(f)~~ "Sale" means a ~~sale~~ prescription drug claim covered by a health benefit plan.

(2) If a pharmacy benefits manager or coordinator ~~uses~~ engages in direct or indirect remuneration with a pharmacy, the pharmacy benefits manager or coordinator shall make a reimbursement report available to the pharmacy~~:~~

~~— (a) the amount of direct or indirect remuneration related to the sale;~~

~~— (b) the reason for the direct or indirect remuneration; and~~

~~— (c) if the direct or indirect remuneration is a reduction in total compensation, what the pharmacy can do to prevent the direct or indirect remuneration in the future;~~

~~— (3) The~~ upon the pharmacy's request.

(3) For the reimbursement report described in Subsection (2) ~~shall be sent to a pharmacy or the pharmacy's~~, the pharmacy benefits manager or coordinator shall:

(a) include the adjusted compensation amount related to a claim and the reason for the adjusted compensation; and

(b) provide the reimbursement report:

(i) in accordance with the contract between the pharmacy and the pharmacy ~~services administration organization no later than 90 days after~~ service entity;

(ii) in an electronic format that is easily accessible; and

(iii) within 90 days after the day on which the pharmacy benefits manager or coordinator receives a report of a sale of a product or service by the pharmacy.

(4) A pharmacy services administration organization and a pharmacy benefits manager or coordinator shall, upon a pharmacy's request, provide the pharmacy with:

(a) the reasons for any adjustments contained in a reimbursement report; and

(b) an explanation of the reasons provided in Subsection (4)(a).

(5) (a) A pharmacy benefits manager or coordinator may not prohibit or penalize the disclosure by a pharmacist of ~~the cost of a drug, device, or other product or service sold by the pharmacist to a patient or to the public~~:

(i) an insured customer's cost share for a covered prescription drug;

(ii) the availability of any therapeutically equivalent alternative medications; or

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(iii) alternative methods of paying for the prescription medication, including paying the cash price, that are less expensive than the cost share of the prescription drug.

(b) Penalties that are prohibited under Subsection (~~f4~~5)(a) include increased utilization review, reduced payments, and other financial disincentives.

(~~f5~~6) A pharmacy benefits manager or coordinator may not require ~~fa patient~~an insured customer to pay, at the point of sale for a covered prescription drug, more than the lesser of:

(a) the applicable ~~fcopayment for~~cost share of the prescription drug being dispensed;

or

(b) the ~~famount that~~retail price of the ~~fpatient would pay for the~~drug without prescription drug ~~if the patient purchased the prescription drug without using a health benefit plan~~ coverage.