

26 or audit proves certain behavior;

27 ▶ prohibits a pharmacy benefit manager from denying or reducing a reimbursement to
28 a pharmacy or pharmacist, after adjudication of a claim, pursuant to a performance
29 contract;

30 ~~H→ [→ requires an insurer to notify pharmacies that they are eligible to participate in the~~
31 ~~insurer's health benefit plan on certain conditions;]~~ ←H

32 ▶ requires a health benefit plan's terms and conditions for pharmacy coverage to be
33 applied uniformly across enrollees and pharmacies;

34 ▶ prohibits a pharmacy benefit manager from entering into contracts with pharmacies
35 in a health benefit plan's provider network unless the terms and conditions of the
36 contracts for coverage and total compensation are identical;

37 ▶ prohibits an insurer from promoting the use of one pharmacy in a provider network
38 over another, except for the Public Employees' Benefit and Insurance Program with
39 respect to a specialty drug;

40 ▶ prohibits an insurer from requiring the use of an out-of-state mail service pharmacy
41 as a condition for pharmacy coverage;

42 ▶ prohibits an insurer from prohibiting a pharmacy from informing a customer that the
43 pharmacy is covered by a specific health benefit plan;

44 ▶ prohibits a pharmacy from waiving, discounting, or subsidizing a health benefit
45 plan's cost sharing requirements or otherwise providing services on terms that differ
46 from those established by the plan;

47 ▶ requires a pharmacy benefit manager to distribute manufacturer rebates to insurers
48 and enrollees;

49 ▶ prohibits a pharmacy benefit manager from contracting with a health insurer in
50 certain instances unless the pharmacy benefit manager agrees to regularly report to
51 the insurer detailed, claim-level information regarding pharmaceutical manufacturer
52 rebates received by the pharmacy benefit manager in connection with the contract;

53 ▶ requires manufacturers and insurers to report certain information on the cost of
54 prescription drugs to the Insurance Department; and

55 ▶ requires the Insurance Department to publish prescription drug information reported
56 to the department.

305 misrepresentation [indicates] proves that the pharmacy or pharmacist engaged in criminal
 306 wrongdoing, fraud, or other intentional misrepresentation[; or].

307 ~~[(b) the reimbursement is reduced as the result of the reconciliation of a reimbursement~~
 308 ~~amount under a performance contract if:]~~

309 ~~[(i) the performance contract lays out clear performance standards under which the~~
 310 ~~reimbursement for a specific drug may be increased or decreased; and]~~

311 ~~[(ii) the agreement between the pharmacy benefit manager and the pharmacy or~~
 312 ~~pharmacist explicitly states, in a separate document that is signed by the pharmacy benefit~~
 313 ~~manager and the pharmacy or pharmacist, that the provisions of Subsection (2) do not apply.]~~

314 Section 7. Section ~~31A-46-305~~ is enacted to read:

315 **31A-46-305. Applicability -- Pharmacy contracting -- Notification of pharmacies**
 316 **-- Uniform applicability of plan provisions -- Pharmacy benefit manager contracts with**
 317 **provider networks -- Pharmacy promotion prohibited -- Mandatory mail order**
 318 **prohibited -- Informing customers -- Cost sharing reductions prohibited.**

319 (1) As used in this section, "provider network" means pharmacies with which an
 320 insurer contracts for purposes of a health benefit plan.

321 (2) This section applies to:

322 (a) a health benefit plan that:

323 (i) includes a pharmacy benefit; and

324 (ii) is entered into or renewed on or after January 1, 2021; and

325 (b) a health benefit plan that is:

326 (i) offered to state employees under Title 49, Chapter 20, Public Employees' Benefit
 327 and Insurance Program Act; and

328 (ii) described in Subsection (2)(a).

329 **H→ [(3) An insurer that offers a health benefit plan shall provide to each pharmacy within**
 330 **the geographic area covered by the health benefit plan the notice described by Subsection (4):**

331 ~~———— (4) (a) The notice required in Subsection (3) shall:~~

332 ~~———— (i) be provided no later than 60 days before the day on which coverage for the~~
 333 ~~geographic area takes effect; and~~

334 ~~———— (ii) inform each pharmacy that the pharmacy may be included in the health benefit~~

335 ~~plan's provider network if, within 60 days, the pharmacy enters into a contract to abide by the] ←H~~

336 ~~H→~~ [~~terms and conditions of the health benefit plan:~~

337 ~~—— (b) If the geographic area covered by a health benefit plan is expanded, the notice~~

338 ~~required under Subsection (3) applies only to pharmacies within the expanded coverage area.~~

339 ~~—— (5) (3) ←H A health benefit plan's terms and conditions for coverage of pharmacy products~~

339a ~~and~~

340 ~~services, including enrollee cost sharing, provider reimbursement, and dispensing quantities~~ H→ [:

341 ~~—— (a) ←H shall apply:~~

342 H→ [(f)] (a) ←H uniformly across all enrollees within:

343 H→ [(A)] (i) ←H a benefit category;

344 H→ [(B)] (ii) ←H a copayment level; or

345 H→ [(C)] (iii) ←H any other enrollee classification established by the health benefit plan;

345a ~~and~~

346 H→ [(ii)] (b) ←H uniformly across all pharmacies in the health benefit plan's provider

346a network.

347 H→ [(6)] (4) ←H A pharmacy benefit manager may not enter into or renew a contract with a

348 pharmacy in the provider network of a health benefit plan unless the terms and conditions for

349 coverage and total compensation for products and services provided by the pharmacy to an

350 enrollee of the health benefit plan, including compensation from the enrollee, the health benefit

351 plan, and the pharmacy benefit manager, are identical to the terms and conditions for coverage

352 and total compensation for products and services provided by each of the other pharmacies in

353 the provider network to an enrollee of the health benefit plan.

354 H→ [(7)] (5) ←H (a) An insurer may not promote the use of one pharmacy in a health

354a benefit plan's

355 provider network, including an out-of-state mail service pharmacy, over another pharmacy in

356 the health benefit plan's provider network.

357 (b) Subsection H→ [(7)(a)] (5)(b) ←H does not apply to the Public Employees' Benefit and

357a Insurance

358 Program for a specialty drug.

359 H→ [(8)] (6) ←H An insurer that offers a health benefit plan may not require an enrollee to

359a use an

360 out-of-state mail service pharmacy as a condition for coverage of pharmacy products or

361 services by the health benefit plan.

362 H→ [(9)] (7) ←H An insurer may not prohibit a pharmacy in a health benefit plan's provider

362a network⊛

363 ~~from informing customers that products and services provided by the pharmacy are covered by~~
364 the health benefit plan.

365 ~~H~~→ ~~(10)~~ **(8)** ←~~H~~ A pharmacy included in a health benefit plan's provider network may not:
366 (a) waive, discount, or subsidize the health benefit plan's required deductible.