

HB 2316 -- PHARMACY BENEFIT MANAGERS

SPONSOR: Morris

This bill requires each contract between a pharmacy benefit manager (PBM) and a pharmacy or pharmacy's contracting representative to include sources utilized to determine maximum allowable cost and update such pricing information at least every seven days. A PBM must maintain a procedure to eliminate products from the maximum allowable cost (MAC) list of drugs or modify maximum allowable cost pricing within seven days if the drugs do not meet the standards as provided in the bill.

A PBM must reimburse pharmacies for drugs subject to maximum allowable cost pricing based upon pricing information which has been updated within seven days. A drug must not be placed on a MAC list unless there are at least two therapeutically equivalent multi-source generic drugs, or at least one generic drug available from only one manufacturer and is generally available for purchase from national or regional wholesalers.

All contracts must include a process to internally appeal, investigate, and resolve disputes regarding MAC pricing as provided in the bill. Appeals must be upheld if the pharmacy being reimbursed for the drug on the MAC list was not reimbursed according to the provisions of the bill or the drug does not meet the requirements for being placed on the MAC list.

This bill is similar to SB 908 (2016).