

HB 1975 -- PHARMACY BENEFITS MANAGERS

SPONSOR: Cook

Current law is not construed to inhibit a patient's freedom of choice to obtain prescription services from any licensed pharmacist, but the patient retains the ability to waive such freedom of choice under a contract with regard to payment or coverage of a prescription expense. This bill provides that a waiver will not be construed to permit a pharmacy benefits manager to engage in conduct prohibited under the provisions of this bill.

This bill prohibits the following for pharmacy benefits managers:

(1) If a pharmacy or pharmacist has agreed to participate in a covered person's health benefit plan, the pharmacy benefits manager will not prohibit or limit the covered person from selecting a pharmacy or pharmacist of his or her choice or impose a monetary advantage or penalty that would affect a covered person's choice;

(2) A pharmacy benefits manager will not impose upon a pharmacy or pharmacist, as a condition of participation in a third-party payer network, any course of study, accreditation, certification, or credentialing that is inconsistent with, more stringent than, or in addition to state requirements for licensure or certification and the administrative rules adopted by the Board of Pharmacy, within the Division of Professional Registration; and

(3) A pharmacy benefits manager will not pay or reimburse a pharmacy or pharmacist in this state in an amount less than the most recently published National Average Drug Acquisition Cost for a prescription drug on the date that the prescription drug is administered or dispensed.

The bill changes the definitions for "maximum allowable cost", "maximum allowable cost list", and "pharmacy benefits manager", and adds terms for "national average drug acquisition cost", "other prescription drug or device services", and "pharmacy benefits manager affiliate".

Currently, a pharmacy benefits manager reimburses pharmacies for drugs subject to maximum allowable cost pricing. This bill provides that for each claim, the reimbursement must be the greater of the maximum allowable cost pricing or the current

National Average Drug Acquisition Pricing. Additionally, the bill prohibits a pharmacy benefits manager from retaliating against a contracted pharmacy for exercising its right to appeal to the pharmacy benefits manager.

Current law governs when appeals will be upheld. This bill adds to those conditions to include situations in which the drug subject to maximum allowable cost pricing was reimbursed at a rate lower than the National Average Drug Acquisition Cost pricing.

This bill requires pharmacy benefits managers to reimburse any pharmacy or pharmacist in an amount equal to the amount the pharmacy benefits manager reimburses an affiliate for dispensing the same prescription.

In addition to the above, a pharmacy benefits manager is required to reimburse each pharmacy or pharmacist a dispensing fee in an amount not less than 90% of the MO HealthNet professional dispensing fee in effect on the date of service.

This bill contains a severability clause.