

Amendment to HB 1664-FN

1 Amend the title of the bill by replacing it with the following:

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3 AN ACT relative to contracts between carriers or pharmacy benefit managers and certain
4 pharmacies.
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6 Amend the bill by replacing all after the enacting clause with the following:

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8 1 New Paragraph; Managed Care; Definitions. Amend RSA 420-J:3 by inserting after
9 paragraph X the following new paragraph:

10 X-a. "Contracted pharmacy" or "pharmacy" means a pharmacy participating in the network
11 of a pharmacy benefit manager through a direct contract or through a contract with a pharmacy
12 services administration organization or group purchasing organization.

13 2 New Paragraph; Managed Care; Definitions. Amend RSA 420-J:3 by inserting after
14 paragraph XIV the following new paragraph:

15 XIV-a. "Drug product reimbursement" means the amount paid by a carrier or pharmacy
16 benefit manager to a contracted pharmacy or pharmacist for the cost of the drug dispensed to a
17 patient and does not include a dispensing or professional fee.

18 3 New Paragraph; Managed Care; Definitions. Amend RSA 420-J:8 by inserting after
19 paragraph XIV the following new paragraph:

20 XV.(a) All contracts between a carrier or pharmacy benefit manager and a contracted
21 pharmacy shall include:

22 (1) The sources used by the pharmacy benefit manager to calculate the drug
23 product reimbursement paid for covered drugs available under the pharmacy health benefit plan
24 administered by the carrier or pharmacy benefit manager.

25 (2) A process to appeal, investigate, and resolve disputes regarding the maximum
26 allowable cost pricing. The process shall include the following provisions:

27 (A) A provision granting the contracted pharmacy or pharmacist at least 30
28 business days following the initial claim to file an appeal;

29 (B) A provision requiring the carrier or pharmacy benefit manager to
30 investigate and resolve the appeal within 30 business days; and

31 (C) A provision requiring that, if the appeal is denied, the carrier or pharmacy
32 benefit manager shall:

33 (i) Provide the reason for the denial; and

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(ii) Identify the national drug code of a drug product that may be purchased by contracted pharmacies at a price at or below the maximum allowable cost.

(D) A provision requiring that, if an appeal is granted, the carrier or pharmacy benefits manager shall within 30 business days after granting the appeal:

(i) Make the change in the maximum allowable cost; and

(ii) Permit the challenging pharmacy or pharmacist to reverse and rebill the claim in question.

(b) For every drug for which the pharmacy benefit manager establishes a maximum allowable cost to determine the drug product reimbursement, the pharmacy benefit manager shall:

(1) Include in the contract with the pharmacy information identifying the national drug pricing compendia or sources used to obtain the drug price data.

(2) Make available to a contracted pharmacy the actual maximum allowable cost for each drug.

(3) Review and make necessary adjustments to the maximum allowable cost for every drug for which the price has changed at least every 14 days.

2 Effective Date. This act shall take effect January 1, 2017.

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AMENDED ANALYSIS

This bill establishes procedures for contracts between carriers or pharmacy benefit managers and contracted pharmacies.