

State Corporation Commission

2020 Fiscal Impact Statement

1. Bill Number: HB1659

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Head

3. Committee: Labor and Commerce

4. Title: Health insurance; carrier contracts with pharmacy benefits managers.

5. Summary: Prohibits a health insurance carrier from entering into, amending, renewing, or extending a contract with a pharmacy benefits manager unless such contract contains provisions prohibiting the pharmacy benefits manager or his representative from reimbursing a pharmacy or pharmacist an amount less than the amount that the pharmacy benefits manager reimburses a pharmacy benefits manager affiliate for providing the same pharmacist services, calculated on a per-unit basis using the same product identifier or code number and reflecting all drug manufacturer's rebates, direct and indirect administrative fees, and costs and any remuneration. The bill applies to contracts entered into, amended, renewed, or extended on and after July 1, 2021.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

8. Fiscal Implications: None on the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: No

11. Other Comments: There are several bills pertaining to pharmacy benefit managers, including Senate Bills 251, 252 and 862, and House Bills House Bills 1290, 1291, 1292, 1459 and 1479. House Bill 1659 is assigned to Subcommittee # 2 of the Labor and Commerce Committee.

Date: 1/27/20/V.Tompkins