

# SENATE BILL NO. 112

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR ARTHUR.

0402S.01H

ADRIANE D. CROUSE, Secretary

## AN ACT

To amend chapter 376, RSMo, by adding thereto one new section relating to prescription drug costs.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 376, RSMo, is amended by adding thereto one new section, to be known as section 376.2027, to read as follows:

**376.2027. 1. As used in this section, the following terms shall mean:**

(1) "Defined cost-sharing", a deductible payment or coinsurance amount imposed on a covered individual for a covered prescription drug under the enrollee's health benefit plan;

(2) "Drug", the same meaning as is ascribed to such term in section 376.1350;

(3) "Enrollee", the same meaning as is ascribed to such term in section 376.1350;

(4) "Health benefit plan", the same meaning as is ascribed to such term in section 376.1350;

(5) "Health carrier", the same meaning as is ascribed to such term in section 376.1350;

(6) "Price protection rebate", a negotiated price concession that accrues directly or indirectly to the health carrier, or to another party on behalf of the health

18 carrier, in the event of an increase in the wholesale  
19 acquisition cost of a drug above a specified threshold;

20 (7) "Rebates":

21 (a) Negotiated price concessions including but not  
22 limited to base price concessions, whether described as a  
23 rebate or otherwise, and reasonable estimates of any price  
24 protection rebates and performance-based price concessions  
25 that may accrue directly or indirectly to the health carrier  
26 during the coverage year from a manufacturer, dispensing  
27 pharmacy, or other party in connection with the dispensing  
28 or administration of a drug; or

29 (b) Reasonable estimates of any negotiated price  
30 concessions, fees, or other administrative costs that are  
31 passed through, or are reasonably anticipated to be passed  
32 through, to the health carrier, and serve to, or are  
33 reasonably anticipated to serve to, reduce the health  
34 carrier's liabilities for a drug.

35 2. An enrollee's defined cost-sharing for each drug  
36 shall be calculated at the point of sale based on a price  
37 that is reduced by an amount equal to at least eighty-five  
38 percent of all rebates received, or to be received, in  
39 connection with the dispensing or administration of the drug.

40 3. Nothing in this section shall preclude a health  
41 carrier from decreasing a covered individual's defined cost-  
42 sharing by an amount greater than that required under  
43 subsection 2 of this section.

44 4. In complying with the provisions of this section,  
45 no health carrier or its agents shall be required to publish  
46 or otherwise reveal information regarding the actual amount  
47 of rebates a health carrier receives on a product,  
48 manufacturer, or pharmacy-specific basis. Such information  
49 shall be protected as a trade secret, shall not be a public

50 record under chapter 610, and shall not be disclosed  
51 directly or indirectly. A health carrier shall impose the  
52 confidentiality protections of this section on any vendor or  
53 other third party that performs health care or  
54 administrative services on behalf of the health carrier and  
55 which may receive or have access to rebate information.

56 5. If any provision of this section or the application  
57 thereof to anyone or to any circumstance is held invalid,  
58 the remainder of this section and the application of such  
59 provisions to others or other circumstances shall not be  
60 affected thereby.

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