

Bill Summary
1st Session of the 59th Legislature

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| Bill No.: | SB 879 |
| Version: | INT |
| Request No.: | 712 |
| Author: | Sen. Montgomery |
| Date: | 01/27/2023 |

Bill Analysis

SB 879 provides that pharmacy benefits manager (PBM) contracts shall not prohibit from or penalize for a pharmacy or pharmacist disclosing to an individual information regarding the existence and clinical efficacy of a generic equivalent nor shall it prohibit or penalize a pharmacy or pharmacist selling a therapeutically equivalent drug that would be less expensive to the enrollee. Additionally, PBM's are required to publish on their website the health plan formulary and timely notification of formulary changes and product exclusions for each of their contracts. The measure directs every PBM to also provide the Insurance Department with a report containing information outlined in the measure. The Department shall publish this information, provided, no information that would disclose the identity of a specific health plan or financially compromise the information shall be published. The measure also provides that an enrollee's defined cost sharing for each prescription drug shall be calculated at the point of sale based on a price that is reduced by an amount equal to 100% of all rebates received. The measure provides that any PBM found to have violated this provision shall be subject to a \$100.00-\$5,000.00 fine for each occurrence. The measure also establishes new requirements for the P&T committee.

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