
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1110 Session of
2018

INTRODUCED BY AUMENT, WARD, MARTIN, ARGALL, LANGERHOLC, FOLMER,
RAFFERTY, KILLION, SCHWANK, RESCHENTHALER, MENSCH,
MCGARRIGLE, BAKER, BROWNE AND REGAN, JUNE 22, 2018

REFERRED TO BANKING AND INSURANCE, JUNE 22, 2018

AN ACT

1 Providing for consumer prescription drug pricing disclosure.

2 The General Assembly of the Commonwealth of Pennsylvania
3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the Consumer
6 Prescription Drug Pricing Disclosure Act.

7 Section 2. Definitions.

8 The following words and phrases when used in this act shall
9 have the meanings given to them in this section unless the
10 context clearly indicates otherwise:

11 "Covered entity." A member, participant, enrollee,
12 contractholder or policyholder providing pharmacy benefits to a
13 covered individual under a health coverage plan pursuant to a
14 contract administered by a pharmacy benefit manager.

15 "Covered individual." A member, participant, enrollee,
16 contractholder or policyholder or beneficiary of a covered
17 entity who is provided health coverage by the covered entity.

1 The term includes a dependent or other person provided health
2 coverage through the policy, contract or plan of a covered
3 individual.

4 "Pharmacist." As defined in section 2(10) the act of
5 September 27, 1961 (P.L.1700, No.699), known as the Pharmacy
6 Act.

7 "Pharmacy." As defined in section 2(12) of the Pharmacy Act.

8 "Pharmacy benefits management." Any of the following:

9 (1) Procurement of prescription drugs at a negotiated
10 contracted rate for distribution within this Commonwealth to
11 covered individuals.

12 (2) Administration or management of prescription drug
13 benefits provided by a covered entity for the benefit of
14 covered individuals.

15 (3) Administration of pharmacy benefits, including:

16 (i) Operating a mail-service pharmacy.

17 (ii) Claims processing.

18 (iii) Managing a retail pharmacy network management.

19 (iv) Paying claims to pharmacies for prescription
20 drugs dispensed to covered individuals via retail or
21 mail-order pharmacy.

22 (v) Developing and managing a clinical formulary,
23 utilization management and quality assurance programs.

24 (vi) Rebate contracting and administration.

25 (vii) Managing a patient compliance, therapeutic
26 intervention and generic substitution program.

27 (viii) Operating a disease management program.

28 (ix) Setting pharmacy reimbursement pricing and
29 methodologies, including maximum allowable cost, and
30 determining single or multiple source drugs.

1 "Pharmacy benefits manager." A person, business or other
2 entity that performs pharmacy benefits management.

3 Section 3. Disclosure of prescription drug costs.

4 (a) Information to covered individual.--A pharmacy or
5 pharmacist shall have the right to provide a covered individual
6 with information concerning the cost of a prescription drug,
7 including the individual's cost share.

8 (b) No prohibition or penalization.--Neither a pharmacy nor
9 a pharmacist shall be prohibited from or penalized by a pharmacy
10 benefits manager for discussing the information under subsection
11 (a), disclosing the availability of any therapeutically
12 equivalent alternative medications or selling to the covered
13 individual a more affordable alternative if an affordable
14 alternative is available.

15 Section 4. Effective date.

16 This act shall take effect in 60 days.