

SENATE BILL 1789

By Overbey

AN ACT to amend Tennessee Code Annotated, Title 56,  
Chapter 7, Part 31, relative to appeals of  
maximum allowable costs.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-3102, is amended by adding the following language as a new subdivision:

( ) "Pharmacy services administrative organization" means an entity that provides contracting and other administrative services to pharmacies to assist them in their interaction with third-party payers, pharmacy benefits managers, drug wholesalers, and other entities.

SECTION 2. Tennessee Code Annotated, Section 56-7-3108, is amended by adding the following language at the end of subsection (a):

If a pharmacy chooses to contest the listed maximum allowable cost for a particular drug or medical product or device, the pharmacy shall have the right to designate a pharmacy services administrative organization or other agent to file and handle its appeal of the maximum allowable cost of the drug or medical product or device.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.