

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED (Y/N)
ADOPTED AS AMENDED (Y/N)
ADOPTED W/O OBJECTION (Y/N)
FAILED TO ADOPT (Y/N)
WITHDRAWN (Y/N)
OTHER

1 Committee/Subcommittee hearing bill: Health Innovation
2 Subcommittee

3 Representative Gaetz offered the following:

4
5 **Amendment**

6 Remove everything after the enacting clause and insert:

7 Section 1. Section 465.1862, Florida Statutes, is created
8 to read:

9 465.1862 Section 465.1862, Florida Statutes, is created to
10 read:

11 465.1862 Pharmacy benefit managers.-

12 (1) As used in this section, the term:

13 (a) "Contracted pharmacy" means a pharmacy or network of
14 pharmacies that has executed a contract, which includes maximum
15 allowable cost pricing requirements, with a pharmacy benefit
16 manager and acts on behalf of a plan sponsor.

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17 (b) "Maximum allowable cost" means the upper limit or
18 maximum amount that an insurer or managed care plan will pay for
19 generic prescription drugs or brand-name prescription drugs with
20 available generic versions, which are included on a list of
21 products generated by the pharmacy benefit manager.

22 (c) "Pharmacy benefit manager" means a person, business,
23 or other entity that provides administrative services related to
24 processing and paying prescription claims for pharmacy benefit
25 and coverage programs. Such services may include, but are not
26 limited to, contracting with a pharmacy or network of
27 pharmacies; establishing payment levels for pharmacies;
28 dispensing prescription drugs to plan sponsor beneficiaries;
29 negotiating discounts and rebate arrangements with drug
30 manufacturers; developing and managing prescription formularies,
31 preferred drug lists, and prior authorization programs; ensuring
32 audit compliance; and providing management reports.

33 (d) "Plan sponsor" means an employer, insurer, managed
34 care organization, prepaid limited health service organization,
35 third-party administrator, or other entity contracting for
36 pharmacy benefit manager services.

37 (2) A contract between a pharmacy benefit manager and a
38 contracted pharmacy must require the pharmacy benefit manager to
39 update the maximum allowable cost pricing information at least
40 every 7 calendar days and establish a reasonable process for the
41 prompt notification of any pricing updates to the contracted
42 pharmacy.

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43 (3) A pharmacy benefit manager, to place a prescription
44 drug on a maximum allowable cost pricing list, at a minimum,
45 must ensure that the drug has at least two or more nationally
46 available, therapeutically equivalent, multiple-source generic
47 drugs that:

48 (a) Have a significant cost difference.

49 (b) Are listed as therapeutically and pharmaceutically
50 equivalent or "A" or "AB" rated in the most recent version of
51 Orange Book: Approved Drug Products with Therapeutic Equivalence
52 Evaluations published by the United States Food and Drug
53 Administration.

54 (c) Are available for purchase from national or regional
55 wholesalers without limitation by all pharmacies in the state.

56 (d) Are not obsolete or temporarily unavailable.

57 (4) In a contract between a pharmacy benefit manager and a
58 plan sponsor, the pharmacy benefit manager must disclose the
59 following to the plan sponsor:

60 (a) Whether the pharmacy benefit manager uses a maximum
61 allowable cost pricing list for drugs dispensed at retail but
62 does not use such a list for drugs dispensed by mail order. If
63 such practice is adopted after a contract is executed, the
64 pharmacy benefit manager shall disclose such practice to the
65 plan sponsor within 21 business days after implementation of the
66 practice.

67 (b) Whether the pharmacy benefit manager uses an identical
68 maximum allowable cost pricing list to bill the plan sponsor and

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69 to reimburse a contracted pharmacy. If more than one maximum
70 allowable cost pricing list is used, the pharmacy benefit
71 manager shall disclose to the contracted pharmacy any difference
72 between the amount billed to the plan sponsor and the amount
73 paid as reimbursement to a contracted pharmacy.

74 (5) (a) Each contract between a pharmacy benefit manager
75 and a contracted pharmacy must include a process for appeal,
76 investigation, and resolution of disputes regarding maximum
77 allowable cost pricing. The process must:

78 1. Limit the right to appeal to 30 calendar days after an
79 initial claim is made by the contracted pharmacy.

80 2. Require investigation and resolution of a dispute
81 within 14 days after an appeal is received by the pharmacy
82 benefit manager.

83 3. Include a telephone number at which a contracted
84 pharmacy may contact the pharmacy benefit manager regarding an
85 appeal.

86 (b) If an appeal is denied, the pharmacy benefit manager
87 shall provide the reasons for denial and shall identify the
88 national drug code for the prescription drug that may be
89 purchased by the contracted pharmacy at a price at or below the
90 disputed maximum allowable cost pricing.

91 (c) If an appeal is upheld, the pharmacy benefit manager
92 shall adjust the maximum allowable cost pricing retroactive to
93 the date that the claim was adjudicated. The pharmacy benefit

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94 manager shall apply the adjustment retroactively to any
95 similarly situated contracted pharmacy.

96 Section 2. This act shall take effect July 1, 2015.