



299520

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/23/2015	.	
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The Committee on Banking and Insurance (Montford) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause and insert:

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

465.1862 Pharmacy benefit managers.—

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

(a) "Contracted pharmacy" means a pharmacy or network of pharmacies which has executed a contract that includes maximum



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11 allowable cost pricing requirements with a pharmacy benefit  
12 manager that acts on behalf of a plan sponsor.

13 (b) "Maximum allowable cost" means the upper limit or  
14 maximum amount that a plan sponsor will pay for a generic  
15 prescription drug or a brand-name prescription drug with an  
16 available generic version, which is included on a list of  
17 products generated by the pharmacy benefit manager.

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

29 (d) "Plan sponsor" means a health maintenance organization,  
30 an insurer, except for an insurer that issues casualty insurance  
31 as defined in s. 624.605, a Medicaid managed care plan as  
32 defined in s. 409.962(9), a prepaid limited health service  
33 organization, or other entity contracting for pharmacy benefit  
34 manager services.

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



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40 contracted pharmacy.

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

46 (a) Have a significant cost difference.

47 (b) Are listed as therapeutically and pharmaceutically  
48 equivalent or "A" or "AB" rated in the Orange Book: Approved  
49 Drug Products with Therapeutic Equivalence Evaluations published  
50 by the United States Food and Drug Administration as of July 1,  
51 2015.

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

54 (d) Are not obsolete or temporarily unavailable.

55 (4) In a contract between a pharmacy benefit manager and a  
56 plan sponsor, the pharmacy benefit manager must disclose to the  
57 plan sponsor whether the pharmacy benefit manager uses a maximum  
58 allowable cost pricing list for drugs dispensed at retail but  
59 does not use such a list for drugs dispensed by mail order. If  
60 such practice is adopted after a contract is executed, the  
61 pharmacy benefit manager shall disclose such practice to the  
62 plan sponsor within 21 business days after implementation of the  
63 practice.

64 (5) (a) Each contract between a pharmacy benefit manager and  
65 a contracted pharmacy must include a process for appeal,  
66 investigation, and resolution of disputes regarding maximum  
67 allowable cost pricing. The process must:

68 1. Limit the right to appeal to 30 calendar days after an



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69 initial claim is made by the contracted pharmacy.

70 2. Require investigation and resolution of a dispute within  
71 14 days after an appeal is received by the pharmacy benefit  
72 manager.

73 3. Include a telephone number at which a contracted  
74 pharmacy may contact the pharmacy benefit manager regarding an  
75 appeal.

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

81 (c) If an appeal is upheld, the pharmacy benefit manager  
82 shall adjust the maximum allowable cost pricing retroactive to  
83 the date that the claim was adjudicated. The pharmacy benefit  
84 manager shall apply the adjustment retroactively to any  
85 similarly situated contracted pharmacy.

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

87  
88 ===== T I T L E A M E N D M E N T =====

89 And the title is amended as follows:

90 Delete everything before the enacting clause  
91 and insert:

92 A bill to be entitled  
93 An act relating to pharmacy; creating s. 465.1862,  
94 F.S.; defining terms; providing requirements for  
95 contracts between pharmacy benefit managers and  
96 contracted pharmacies; requiring a pharmacy benefit  
97 manager to ensure that a prescription drug has met



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98           certain requirements to be placed on a maximum  
99           allowable cost pricing list; requiring the pharmacy  
100          benefit manager to disclose certain information to a  
101          plan sponsor; requiring a contract between a pharmacy  
102          benefit manager and a pharmacy to include an appeal  
103          process; providing an effective date.