

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WITHDRAWN (Y/N)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 & Human Services
2 Committee

3 Representative Santiago offered the following:

4

5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

7 Section 1. Section 465.0244, Florida Statutes, is amended
8 to read:

9 465.0244 Information disclosure.—

10 (1) Every pharmacy shall make available on its website a
11 hyperlink to the health information that is disseminated by the
12 Agency for Health Care Administration pursuant to s. 408.05(3)
13 and shall place in the area where customers receive filled
14 prescriptions notice that such information is available
15 electronically and the address of its Internet website.

Amendment No.

16 (2) In addition to the requirements of s. 465.025, a
17 pharmacist or her or his authorized employee must inform a
18 customer of a less expensive, generically equivalent drug
19 product for her or his prescription and whether the customer's
20 cost-sharing obligation exceeds the retail price of the
21 prescription in the absence of prescription drug coverage.

22 Section 2. Section 465.1862, Florida Statutes, is
23 repealed.

24 Section 3. Section 624.490, Florida Statutes, is created
25 to read:

26 624.490 Registration of pharmacy benefit managers.-

27 (1) As used in this section, the term "pharmacy benefit
28 manager" means a person or entity doing business in this state
29 which contracts to administer prescription drug benefits on
30 behalf of a health insurer or a health maintenance organization
31 to residents of this state.

32 (2) Effective January 1, 2019, a pharmacy benefit manager
33 must register with the office to conduct business in this state.
34 To initially register or renew a registration, a pharmacy
35 benefit manager shall submit:

36 (a) A nonrefundable fee not to exceed \$500.

37 (b) A copy of the registrant's corporate charter, articles
38 of incorporation, or other charter document.

39 (c) A completed registration form adopted by the
40 commission containing:

Amendment No.

41 1. The name and address of the registrant.

42 2. The name, address, and official position of each
43 officer and director of the registrant.

44 (3) The registrant shall report any change in information
45 required by subsection (2) to the office in writing within 60
46 days after the change occurs.

47 (4) Upon receipt of a completed registration form,
48 required documents, and the registration fee, the office shall
49 issue a registration certificate. The certificate may be in
50 paper or electronic form, and shall indicate the expiration date
51 of the registration. Registration certificates are
52 nontransferable.

53 (5) A registration certificate is valid for 2 years from
54 its date of issue. The commission shall adopt by rule an initial
55 registration fee not to exceed \$500 and a registration renewal
56 fee not to exceed \$500, both of which shall be nonrefundable.

57 (6) The commission shall adopt rules necessary to
58 implement this section.

59 Section 4. Section 627.64741, Florida Statutes, is created
60 to read:

61 627.64741 Pharmacy benefit manager contracts.-

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

63 (a) "Maximum allowable cost" means the per-unit amount
64 that a pharmacy benefit manager reimburses a pharmacist for a
65 prescription drug, excluding dispensing fees, prior to the

Amendment No.

66 application of copayments, coinsurance, and other cost-sharing
67 charges, if any.

68 (b) "Pharmacy benefit manager" means a person or entity
69 doing business in this state which contracts to administer or
70 manage prescription drug benefits on behalf of a health insurer
71 to residents of this state.

72 (2) A contract between a health insurer and a pharmacy
73 benefit manager must require that the pharmacy benefit manager:

74 (a) Update maximum allowable cost pricing information at
75 least every 7 calendar days.

76 (b) Maintain a process that will, in a timely manner,
77 eliminate drugs from maximum allowable cost lists or modify drug
78 prices to remain consistent with changes in pricing data used in
79 formulating maximum allowable cost prices and product
80 availability.

81 (3) A contract between a health insurer and a pharmacy
82 benefit manager must prohibit the pharmacy benefit manager from
83 limiting a pharmacist's ability to disclose whether the cost-
84 sharing obligation exceeds the retail price for a covered
85 prescription drug, and the availability of a more affordable
86 alternative drug, pursuant to s. 465.0244.

87 (4) A contract between a health insurer and a pharmacy
88 benefit manager must prohibit the pharmacy benefit manager from
89 requiring an insured to make a payment for a prescription drug
90 at the point of sale in an amount that exceeds the lesser of:

480683 - h0351-strike.docx

Published On: 2/14/2018 7:50:55 PM

Amendment No.

91 (a) The applicable cost-sharing amount; or

92 (b) The retail price of the drug in the absence of
93 prescription drug coverage.

94 (5) This section applies to contracts entered into or
95 renewed on or after July 1, 2018.

96 Section 5. Section 627.6572, Florida Statutes, is created
97 to read:

98 627.6572 Pharmacy benefit manager contracts.—

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

100 (a) "Maximum allowable cost" means the per-unit amount
101 that a pharmacy benefit manager reimburses a pharmacist for a
102 prescription drug, excluding dispensing fees, prior to the
103 application of copayments, coinsurance, and any other cost-
104 sharing charges.

105 (b) "Pharmacy benefit manager" means a person or entity
106 doing business in this state which contracts to administer or
107 manage prescription drug benefits on behalf of a health insurer
108 to residents of this state.

109 (2) A contract between a health insurer and a pharmacy
110 benefit manager must require that the pharmacy benefit manager:

111 (a) Update maximum allowable cost pricing information at
112 least every 7 calendar days.

113 (b) Maintain a process that will, in a timely manner,
114 eliminate drugs from maximum allowable cost lists or modify drug
115 prices to remain consistent with changes in pricing data used in

Amendment No.

116 formulating maximum allowable cost prices and product
117 availability.

118 (3) A contract between a health insurer and a pharmacy
119 benefit manager must prohibit the pharmacy benefit manager from
120 limiting a pharmacist's ability to disclose whether the cost-
121 sharing obligation exceeds the retail price for a covered
122 prescription drug, and the availability of a more affordable
123 alternative drug, pursuant to s. 465.0244.

124 (4) A contract between a health insurer and a pharmacy
125 benefit manager must prohibit the pharmacy benefit manager from
126 requiring an insured to make a payment for a prescription drug
127 at the point of sale in an amount that exceeds the lesser of:

128 (a) The applicable cost-sharing amount; or

129 (b) The retail price of the drug in the absence of
130 prescription drug coverage.

131 (5) This section applies to contracts entered into or
132 renewed on or after July 1, 2018.

133 Section 6. Section 641.314, Florida Statutes, is created
134 to read:

135 641.314 Pharmacy benefit manager contracts.—

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

137 (a) "Maximum allowable cost" means the per-unit amount
138 that a pharmacy benefit manager reimburses a pharmacist for a
139 prescription drug, excluding dispensing fees, prior to the
140 application of copayments, coinsurance, and any other cost-

Amendment No.

141 sharing charges.

142 (b) "Pharmacy benefit manager" means a person or entity
143 doing business in this state which contracts to administer or
144 manage prescription drug benefits on behalf of a health
145 maintenance organization to residents of this state.

146 (2) A contract between a health maintenance organization
147 and a pharmacy benefit manager must require that the pharmacy
148 benefit manager:

149 (a) Update maximum allowable cost pricing information at
150 least every 7 calendar days.

151 (b) Maintain a process that will, in a timely manner,
152 eliminate drugs from maximum allowable cost lists or modify drug
153 prices to remain consistent with changes in pricing data used in
154 formulating maximum allowable cost prices and product
155 availability.

156 (3) A contract between a health maintenance organization
157 and a pharmacy benefit manager must prohibit the pharmacy
158 benefit manager from limiting a pharmacist's ability to disclose
159 whether the cost-sharing obligation exceeds the retail price for
160 a covered prescription drug, and the availability of a more
161 affordable alternative drug, pursuant to s. 465.0244.

162 (4) A contract between a health maintenance organization
163 and a pharmacy benefit manager must prohibit the pharmacy
164 benefit manager from requiring a subscriber to make a payment
165 for a prescription drug at the point of sale in an amount that

480683 - h0351-strike.docx

Published On: 2/14/2018 7:50:55 PM

Amendment No.

166 exceeds the lesser of:

167 (a) The applicable cost-sharing amount; or

168 (b) The retail price of the drug in the absence of
169 prescription drug coverage.

170 (5) This section applies to contracts entered into or
171 renewed on or after July 1, 2018.

172 Section 7. This act shall take effect July 1, 2018.

173 -----

174 **T I T L E A M E N D M E N T**

175 Remove everything before the enacting clause and insert:

176 An act relating to prescription drug pricing transparency;
177 amending s. 465.0244, F.S.; requiring pharmacists to inform
178 customers of less expensive, generically equivalent drugs for
179 their prescriptions and as to whether customers' cost-sharing
180 obligations exceed the retail price of their prescriptions;
181 repealing s. 465.1862, F.S., relating to pharmacy benefit
182 manager contracts; creating s. 624.490, F.S.; defining the term
183 "pharmacy benefit manager"; requiring a pharmacy benefit manager
184 to register with the Office of Insurance Regulation; providing
185 requirements and terms of registration, including the payment of
186 a registration fee; requiring the office to issue certificates
187 of registration and to set an initial registration fee and a
188 renewal fee, which may not exceed a specified amount; requiring
189 the commission to adopt rules; creating ss. 627.64741, 627.6572,
190 and 641.314, F.S.; defining the terms "maximum allowable cost"

480683 - h0351-strike.docx

Published On: 2/14/2018 7:50:55 PM

COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/HB 351 (2018)

Amendment No.

191 and "pharmacy benefit manager"; requiring that certain terms be
192 included in a contract between a health insurer or a health
193 maintenance organization and a pharmacy benefit manager;
194 providing an effective date.