

Amendment No.

COMMITTEE/SUBCOMMITTEE ACTION

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WITHDRAWN	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

---

1 Committee/Subcommittee hearing bill: Health Innovation  
 2 Subcommittee

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 to  
 8 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 section 465.025, a  
17 pharmacist shall inform customers of a lower cost alternative  
18 for their prescription and whether their cost-sharing obligation  
19 exceeds the retail price of their prescription in the absence of  
20 prescription drug coverage.

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22 repealed.

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

25           624.490 Registration of pharmacy benefit managers.-

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

30           (2) To conduct business in this state, a pharmacy benefit  
31 manager must register with the Office of Insurance Regulation.  
32 To register, a pharmacy benefit manager shall submit a fee  
33 determined by the office, a copy of the registrant's corporate  
34 charter, articles of incorporation, or other charter document,  
35 and a form established by the office containing the identity,  
36 address, and taxpayer identification number, when applicable,  
37 of:

38           (a) The registrant;

Amendment No.

39 (b) The chief executive officer or a similarly titled  
40 person responsible for the executive oversight of the  
41 registrant;

42 (c) The chief financial officer or a similarly titled  
43 person responsible for the financial oversight of the  
44 registrant;

45 (d) Each person or entity responsible for the affairs of  
46 the registrant, including, but not limited to, the day-to-day  
47 operations of the registrant.

48 (3) The registrant shall report a change in any  
49 information required by subsection (2) to the office in writing  
50 within 60 days after the change.

51 (4) Upon receipt of a complete registration form and the  
52 registration fee, the office shall issue a registration  
53 certificate. The certificate may be in paper or electronic form,  
54 and shall clearly indicate the expiration date of the  
55 registration. Registration certificates are nontransferable.

56 (5) The term of registration shall be two years from the  
57 date of issuance. The office shall set an initial registration  
58 fee and a renewal registration fee, which are nonrefundable.  
59 Total fees may not exceed the cost of administering this  
60 section.

61 (6) The office shall adopt rules necessary to implement  
62 the provisions of this section.

Amendment No.

63 Section 4. Section 627.64741, Florida Statutes, is created  
64 to read:

65 627.64741 Pharmacy benefit manager contracts.-

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

67 (a) "Maximum allowable cost" means the per-unit amount  
68 that a pharmacy benefit manager reimburses a pharmacist for a  
69 prescription drug, excluding dispensing fees, prior to the  
70 application of copayments, coinsurance, and other cost-sharing  
71 charges, if any.

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

76 (2) A contract between a health insurer and a pharmacy  
77 benefit manager must include requirements that the pharmacy  
78 benefit manager:

79 (a) Update maximum allowable cost pricing information at  
80 least every 7 calendar days; and

81 (b) Maintain a process that will, in a timely manner,  
82 eliminate drugs from maximum allowable cost lists or modify drug  
83 prices to remain consistent with changes in pricing data used in  
84 formulating maximum allowable cost prices and product  
85 availability.

86 (3) A contract between a health insurer and a pharmacy  
87 benefit manager shall prohibit the pharmacy benefit manager from

580305 - h0351-strike.docx

Published On: 1/16/2018 5:55:11 PM

Amendment No.

88 limiting a pharmacy's or pharmacist's ability to substitute a  
89 less expensive, generically equivalent drug product for a brand  
90 name drug, pursuant to section 465.025, or to disclose to a  
91 subscriber whether the subscriber's cost-sharing obligation  
92 exceeds the retail price for a covered prescription drug, and  
93 availability of a more affordable alternative drug, pursuant to  
94 s. 465.0244.

95 (4) A contract between a health insurer and a pharmacy  
96 benefit manager shall prohibit the pharmacy benefit manager from  
97 requiring an insured to make a payment for a prescription drug  
98 at the point of sale in an amount greater than the lesser of:

99 (a) The applicable cost-sharing amount;

100 (b) The total submitted charges for the prescription drug;

101 (c) The retail price of the drug in the absence of  
102 prescription drug coverage or programs that otherwise reduce the  
103 cost of a drug to the patient.

104 Section 5. Section 627.6572, Florida Statutes, is created  
105 to read:

106 627.6572 Pharmacy Benefit Manager Contracts.—

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

108 (a) "Maximum allowable cost" means the per-unit amount  
109 that a pharmacy benefit manager reimburses a pharmacist for a  
110 prescription drug, excluding dispensing fees, prior to the  
111 application of copayments, coinsurance, and other cost-sharing  
112 charges, if any.

580305 - h0351-strike.docx

Published On: 1/16/2018 5:55:11 PM

Amendment No.

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

117 (2) A contract between a health insurer and a pharmacy  
118 benefit manager must include requirements that the pharmacy  
119 benefit manager:

120 (a) Update maximum allowable cost pricing information at  
121 least every 7 calendar days; and

122 (b) Maintain a process that will, in a timely manner,  
123 eliminate drugs from maximum allowable cost lists or modify drug  
124 prices to remain consistent with changes in pricing data used in  
125 formulating maximum allowable cost prices and product  
126 availability.

127 (3) A contract between a health insurer and a pharmacy  
128 benefit manager shall prohibit the pharmacy benefit manager from  
129 limiting a pharmacy's or pharmacist's ability to substitute a  
130 less expensive, generically equivalent drug product for a brand  
131 name drug, pursuant to section 465.025, or to disclose to a  
132 subscriber whether the subscriber's cost-sharing obligation  
133 exceeds the retail price for a covered prescription drug, and  
134 availability of a more affordable alternative drug, pursuant to  
135 s. 465.0244.

136 (4) A contract between a health insurer and a pharmacy  
137 benefit manager shall prohibit the pharmacy benefit manager from

580305 - h0351-strike.docx

Published On: 1/16/2018 5:55:11 PM

Amendment No.

138 requiring an insured to make a payment for a prescription drug  
139 at the point of sale in an amount greater than the lesser of:  
140 (a) The applicable cost-sharing amount;  
141 (b) The total submitted charges for the prescription drug;  
142 (c) The retail price of the drug in the absence of  
143 prescription drug coverage or programs that otherwise reduce the  
144 cost of a drug to the patient.

145 Section 6. Section 641.314, Florida Statutes, is created  
146 to read:

147 641.314 Pharmacy benefit manager contracts.—

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

149 (a) "Maximum allowable cost" means the per-unit amount  
150 that a pharmacy benefit manager reimburses a pharmacist for a  
151 prescription drug, excluding dispensing fees, prior to the  
152 application of copayments, coinsurance, and other cost-sharing  
153 charges, if any.

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

158 (2) A contract between a health maintenance organization  
159 and a pharmacy benefit manager must include requirements that  
160 the pharmacy benefit manager:

161 (a) Update maximum allowable cost pricing information at  
162 least every 7 calendar days; and

580305 - h0351-strike.docx

Published On: 1/16/2018 5:55:11 PM

Amendment No.

163 (b) Maintain a process that will, in a timely manner,  
164 eliminate drugs from maximum allowable cost lists or modify drug  
165 prices to remain consistent with changes in pricing data used in  
166 formulating maximum allowable cost prices and product  
167 availability.

168 (3) A contract between a health maintenance organization  
169 and a pharmacy benefit manager shall prohibit the pharmacy  
170 benefit manager from limiting a pharmacy's or pharmacist's  
171 ability to substitute a less expensive, generically equivalent  
172 drug product for a brand name drug, pursuant to section 465.025,  
173 or to disclose to a subscriber whether the subscriber's cost-  
174 sharing obligation exceeds the retail price for a covered  
175 prescription drug, and availability of a more affordable  
176 alternative drug, pursuant to section 465.0244.

177 (4) A contract between a health maintenance organization  
178 and a pharmacy benefit manager shall prohibit the pharmacy  
179 benefit manager from requiring a subscriber to make a payment  
180 for a prescription drug at the point of sale in an amount  
181 greater than the lesser of:

182 (a) The applicable cost-sharing amount;

183 (b) The total submitted charges for the prescription drug;

184 (c) The retail price of the drug in the absence of  
185 prescription drug coverage or programs that otherwise reduce the  
186 cost of a drug to the patient.



Amendment No.

187           Section 7. This act applies to contracts entered into or  
188 renewed on or after July 1, 2018.

189           Section 8. This act shall take effect July 1, 2018.  
190  
191

192           -----  
193                           **T I T L E   A M E N D M E N T**

194           Remove everything before the enacting clause and insert:  
195 An act relating to prescription drug pricing transparency;  
196 amending s. 465.0244, F.S.; permitting pharmacists to inform  
197 customers about lower cost alternatives for their prescriptions  
198 and whether their cost-sharing exceeds the retail price for  
199 their prescriptions; repealing s. 465.1862, F.S.; creating s.  
200 624.490, F.S.; requiring registration of pharmacy benefit  
201 managers with the Office of Insurance Regulation; creating s.  
202 627.64741, F.S.; requiring certain terms in health insurer  
203 contracts with pharmacy benefit managers; creating s. 627.6572,  
204 F.S.; requiring certain terms in health insurer contracts with  
205 pharmacy benefit managers; creating s. 641.314, F.S.; requiring  
206 certain terms in health maintenance organization contracts with  
207 pharmacy benefit managers; providing applicability; providing an  
208 effective date.  
209