

1                                   A bill to be entitled  
 2           An act relating to prescription drug pricing  
 3           transparency; amending s. 465.0244, F.S.; requiring  
 4           pharmacists to inform customers of certain generically  
 5           equivalent drug products and whether her or his cost-  
 6           sharing obligation exceeds the retail price of the  
 7           prescription; repealing s. 465.1862, F.S., relating to  
 8           pharmacy benefit manager contracts; creating s.  
 9           624.490, F.S.; requiring registration of pharmacy  
 10          benefit managers with the Office of Insurance  
 11          Regulation; requiring rulemaking; creating ss.  
 12          627.64741 and 627.6572, F.S.; requiring certain terms  
 13          in health insurer contracts with pharmacy benefit  
 14          managers; creating s. 641.314, F.S.; requiring certain  
 15          terms in health maintenance organization contracts  
 16          with pharmacy benefit managers; providing  
 17          applicability; providing an effective date.

18  
 19 Be It Enacted by the Legislature of the State of Florida:

20  
 21           Section 1. Section 465.0244, Florida Statutes, is amended  
 22           to read:

23           465.0244 Information disclosure.—

24           (1) Every pharmacy shall make available on its website a  
 25           hyperlink to the health information that is disseminated by the

26 | Agency for Health Care Administration pursuant to s. 408.05(3)  
27 | and shall place in the area where customers receive filled  
28 | prescriptions notice that such information is available  
29 | electronically and the address of its Internet website.

30 | (2) In addition to the requirements of section 465.025, a  
31 | pharmacist shall inform customers of a less expensive,  
32 | generically equivalent drug product for her or his prescription  
33 | and whether her or his cost-sharing obligation exceeds the  
34 | retail price of the prescription in the absence of prescription  
35 | drug coverage.

36 | Section 2. Section 465.1862, Florida Statutes, is  
37 | repealed.

38 | Section 3. Section 624.490, Florida Statutes, is created  
39 | to read:

40 | 624.490 Registration of pharmacy benefit managers.—

41 | (1) As used in this section, the term "pharmacy benefit  
42 | manager" means a person or entity doing business in this state  
43 | which contracts to administer prescription drug benefits on  
44 | behalf of a health insurer or a health maintenance organization  
45 | to residents of this state.

46 | (2) To conduct business in this state, a pharmacy benefit  
47 | manager must register with the office. To register, a pharmacy  
48 | benefit manager shall submit:

49 | (a) A fee determined by the office.

50 | (b) A copy of the registrant's corporate charter, articles

51 of incorporation, or other charter document.

52 (c) A form established by the office containing the  
53 identity, address, and taxpayer identification number, when  
54 applicable, of:

55 1. The registrant.

56 2. The chief executive officer or a similarly titled  
57 person responsible for the executive oversight of the  
58 registrant.

59 3. The chief financial officer or a similarly titled  
60 person responsible for the financial oversight of the  
61 registrant.

62 4. Each person or entity responsible for the affairs of  
63 the registrant, including, but not limited to, the day-to-day  
64 operations of the registrant.

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

68 (4) Upon receipt of a completed registration form and the  
69 registration fee, the office shall issue a registration  
70 certificate. The certificate may be in paper or electronic form,  
71 and shall clearly indicate the expiration date of the  
72 registration. Registration certificates are nontransferable.

73 (5) A registration certificate is valid for two years from  
74 its date of issue. The office shall set an initial registration  
75 fee and a registration renewal fee, both of which shall be

76 nonrefundable. Total fees may not exceed the cost of  
77 administering this section.

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

80 Section 4. Section 627.64741, Florida Statutes, is created  
81 to read:

82 627.64741 Pharmacy benefit manager contracts.—

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

84 (a) "Maximum allowable cost" means the per-unit amount  
85 that a pharmacy benefit manager reimburses a pharmacist for a  
86 prescription drug, excluding dispensing fees, prior to the  
87 application of copayments, coinsurance, and other cost-sharing  
88 charges, if any.

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

93 (2) A contract between a health insurer and a pharmacy  
94 benefit manager must include requirements that the pharmacy  
95 benefit manager:

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

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

101 formulating maximum allowable cost prices and product  
102 availability.

103 (3) A contract between a health insurer and a pharmacy  
104 benefit manager shall prohibit the pharmacy benefit manager  
105 from:

106 (a) Limiting a pharmacy's or pharmacist's ability to  
107 substitute a less expensive, generically equivalent drug product  
108 for a brand name drug, pursuant to section 465.025; or

109 (b) Disclosing to a subscriber whether the subscriber's  
110 cost-sharing obligation exceeds the retail price for a covered  
111 prescription drug, and the availability of a more affordable  
112 alternative drug, pursuant to s. 465.0244.

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

117 (a) The applicable cost-sharing amount;

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

119 or

120 (c) The retail price of the drug in the absence of  
121 prescription drug coverage or programs that reduce the cost of a  
122 drug to the patient.

123 Section 5. Section 627.6572, Florida Statutes, is created  
124 to read:

125 627.6572 Pharmacy benefit manager contracts.—

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

127 (a) "Maximum allowable cost" means the per-unit amount  
128 that a pharmacy benefit manager reimburses a pharmacist for a  
129 prescription drug, excluding dispensing fees, prior to the  
130 application of copayments, coinsurance, and other cost-sharing  
131 charges, if any.

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

136 (2) A contract between a health insurer and a pharmacy  
137 benefit manager must include requirements that the pharmacy  
138 benefit manager:

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

141 (b) Maintain a process that will, in a timely manner,  
142 eliminate drugs from maximum allowable cost lists or modify drug  
143 prices to remain consistent with changes in pricing data used in  
144 formulating maximum allowable cost prices and product  
145 availability.

146 (3) A contract between a health insurer and a pharmacy  
147 benefit manager shall prohibit the pharmacy benefit manager  
148 from:

149 (a) Limiting a pharmacy's or pharmacist's ability to  
150 substitute a less expensive, generically equivalent drug product

151 for a brand name drug, pursuant to section 465.025; or

152 (b) Disclosing to a subscriber whether the subscriber's  
153 cost-sharing obligation exceeds the retail price for a covered  
154 prescription drug, and the availability of a more affordable  
155 alternative drug, pursuant to s. 465.0244.

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

160 (a) The applicable cost-sharing amount;

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

162 or

163 (c) The retail price of the drug in the absence of  
164 prescription drug coverage or programs that reduce the cost of a  
165 drug to the patient.

166 Section 6. Section 641.314, Florida Statutes, is created  
167 to read:

168 641.314 Pharmacy benefit manager contracts.—

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

170 (a) "Maximum allowable cost" means the per-unit amount  
171 that a pharmacy benefit manager reimburses a pharmacist for a  
172 prescription drug, excluding dispensing fees, prior to the  
173 application of copayments, coinsurance, and other cost-sharing  
174 charges, if any.

175 (b) "Pharmacy benefit manager" means a person or entity

176 doing business in this state which contracts to administer or  
 177 manage prescription drug benefits on behalf of a health  
 178 maintenance organization to residents of this state.

179 (2) A contract between a health maintenance organization  
 180 and a pharmacy benefit manager must include requirements that  
 181 the pharmacy benefit manager:

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

184 (b) Maintain a process that will, in a timely manner,  
 185 eliminate drugs from maximum allowable cost lists or modify drug  
 186 prices to remain consistent with changes in pricing data used in  
 187 formulating maximum allowable cost prices and product  
 188 availability.

189 (3) A contract between a health maintenance organization  
 190 and a pharmacy benefit manager shall prohibit the pharmacy  
 191 benefit manager from:

192 (a) Limiting a pharmacy's or pharmacist's ability to  
 193 substitute a less expensive, generically equivalent drug product  
 194 for a brand name drug, pursuant to section 465.025; or

195 (b) Disclosing to a subscriber whether the subscriber's  
 196 cost-sharing obligation exceeds the retail price for a covered  
 197 prescription drug, and the availability of a more affordable  
 198 alternative drug, pursuant to section 465.0244.

199 (4) A contract between a health maintenance organization  
 200 and a pharmacy benefit manager shall prohibit the pharmacy

201 benefit manager from requiring a subscriber to make a payment  
202 for a prescription drug at the point of sale in an amount  
203 greater than the lesser of:  
204 (a) The applicable cost-sharing amount;  
205 (b) The total submitted charges for the prescription drug;  
206 or  
207 (c) The retail price of the drug in the absence of  
208 prescription drug coverage or programs that reduce the cost of a  
209 drug to the patient.

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

212 Section 8. This act shall take effect July 1, 2018.