

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 cost-sharing  
6           obligations to such customers exceed the retail price  
7           of the prescription; repealing s. 465.1862, F.S.,  
8           relating to pharmacy benefit manager contracts;  
9           creating s. 624.490, F.S.; defining the term "pharmacy  
10          benefit manager"; requiring registration of pharmacy  
11          benefit managers with the Office of Insurance  
12          Regulation; providing registration requirements;  
13          requiring the registrant to report changes to certain  
14          information by a specified date; requiring the office  
15          to issue a registration certificate upon receipt of a  
16          completed registration form; providing for expiration  
17          of a registration certificate; requiring rulemaking;  
18          creating ss. 627.64741, 627.6572, and 641.314, F.S.;  
19          defining the terms "maximum allowable cost" and  
20          "pharmacy benefit manager"; requiring certain terms in  
21          health insurer or health maintenance organization  
22          contracts with pharmacy benefit managers; providing  
23          applicability; providing an effective date.

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25   Be It Enacted by the Legislature of the State of Florida:

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

465.0244 Information disclosure.—

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

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

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 Section 465.1862, Florida Statutes, is repealed.

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

624.490 Registration of pharmacy benefit managers.—

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

51 to residents of this state.

52 (2) Effective January 1, 2019, to conduct business in this  
53 state, a pharmacy benefit manager must register with the office.

54 To initially register or renew a registration, a pharmacy  
55 benefit manager shall submit:

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

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

59 (c) A completed registration form adopted by the  
60 commission containing:

61 1. The name and address of the registrant.

62 2. The name, address, and official position of each  
63 officer and director of the registrant.

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

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

73 (5) A registration certificate is valid for 2 years after  
74 its date of issue. The commission shall adopt by rule an initial  
75 registration fee not to exceed \$500 and a registration renewal

76 fee not to exceed \$500, both of which shall be nonrefundable.  
77 Total fees may not exceed the cost of administering this  
78 section.

79 (6) The commission shall adopt rules necessary to  
80 implement this section.

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

83 627.64741 Pharmacy benefit manager contracts.-

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

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

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

94 (2) A contract between a health insurer and a pharmacy  
95 benefit manager must require that the pharmacy 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 must prohibit the pharmacy benefit manager from  
 105 limiting a pharmacist's ability to disclose whether the cost-  
 106 sharing obligation exceeds the retail price for a covered  
 107 prescription drug, and the availability of a more affordable  
 108 alternative drug, pursuant to s. 465.0244.

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

- 113 (a) The applicable cost-sharing amount; or  
 114 (b) The retail price of the drug in the absence of  
 115 prescription drug coverage.

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

118 Section 5. Section 627.6572, Florida Statutes, is created  
 119 to read:

120 627.6572 Pharmacy benefit manager contracts.—

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

- 122 (a) "Maximum allowable cost" means the per-unit amount  
 123 that a pharmacy benefit manager reimburses a pharmacist for a  
 124 prescription drug, excluding dispensing fees, prior to the  
 125 application of copayments, coinsurance, and other cost-sharing

126 charges, if any.

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

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

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

135 (b) Maintain a process that will, in a timely manner,  
136 eliminate drugs from maximum allowable cost lists or modify drug  
137 prices to remain consistent with changes in pricing data used in  
138 formulating maximum allowable cost prices and product  
139 availability.

140 (3) A contract between a health insurer and a pharmacy  
141 benefit manager must prohibit the pharmacy benefit manager from  
142 limiting a pharmacist's ability to disclose whether the cost-  
143 sharing obligation exceeds the retail price for a covered  
144 prescription drug, and the availability of a more affordable  
145 alternative drug, pursuant to s. 465.0244.

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

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

151        (b) The retail price of the drug in the absence of  
152 prescription drug coverage.

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

155        Section 6. Section 641.314, Florida Statutes, is created  
156 to read:

157        641.314 Pharmacy benefit manager contracts.—

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

159        (a) "Maximum allowable cost" means the per-unit amount  
160 that a pharmacy benefit manager reimburses a pharmacist for a  
161 prescription drug, excluding dispensing fees, prior to the  
162 application of copayments, coinsurance, and other cost-sharing  
163 charges, if any.

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

168        (2) A contract between a health maintenance organization  
169 and a pharmacy benefit manager must require that the pharmacy  
170 benefit manager:

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

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

176 formulating maximum allowable cost prices and product  
177 availability.

178 (3) A contract between a health maintenance organization  
179 and a pharmacy benefit manager must prohibit the pharmacy  
180 benefit manager from limiting a pharmacist's ability to disclose  
181 whether the cost-sharing obligation exceeds the retail price for  
182 a covered prescription drug, and the availability of a more  
183 affordable alternative drug, pursuant to s. 465.0244.

184 (4) A contract between a health maintenance organization  
185 and a pharmacy benefit manager must prohibit the pharmacy  
186 benefit manager from requiring a subscriber to make a payment  
187 for a prescription drug at the point of sale in an amount that  
188 exceeds the lesser of:

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

190 (b) The retail price of the drug in the absence of  
191 prescription drug coverage.

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

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