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LEGISLATIVE ACTION

Senate

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House

Appropriations Subcommittee on Health and Human Services
(Wright) recommended the following:

Senate Amendment (with title amendment)

Delete lines 210 - 508

and insert:

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

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



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11 doing business in this state which contracts to administer or
12 manage prescription drug benefits on behalf of a health insurer
13 to residents of this state.

14 (2) A health insurer may contract only with a pharmacy
15 benefit manager that ~~A contract between a health insurer and a~~
16 ~~pharmacy benefit manager must require that the pharmacy benefit~~
17 ~~manager:~~

18 (a) Updates ~~Update~~ maximum allowable cost pricing
19 information at least every 7 calendar days.

20 (b) Maintains ~~Maintain~~ a process that will, in a timely
21 manner, eliminate drugs from maximum allowable cost lists or
22 modify drug prices to remain consistent with changes in pricing
23 data used in formulating maximum allowable cost prices and
24 product availability.

25 (c)-(3) Does not limit ~~A contract between a health insurer~~
26 ~~and a pharmacy benefit manager must prohibit the pharmacy~~
27 ~~benefit manager from limiting~~ a pharmacist's ability to disclose
28 whether the cost-sharing obligation exceeds the retail price for
29 a covered prescription drug, and the availability of a more
30 affordable alternative drug, pursuant to s. 465.0244.

31 (d)-(4) Does not require ~~A contract between a health insurer~~
32 ~~and a pharmacy benefit manager must prohibit the pharmacy~~
33 ~~benefit manager from requiring~~ an insured to make a payment for
34 a prescription drug at the point of sale in an amount that
35 exceeds the lesser of:

36 1.(a) The applicable cost-sharing amount; or

37 2.(b) The retail price of the drug in the absence of
38 prescription drug coverage.

39 (3) The office may require a health insurer to submit to



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40 the office any contract, or amendments to a contract, for the
41 administration or management of prescription drug benefits by a
42 pharmacy benefit manager on behalf of the insurer.

43 (4) After review of a contract under subsection (3), the
44 office may order the insurer to cancel the contract in
45 accordance with the terms of the contract and applicable law if
46 the office determines that any of the following conditions
47 exist:

48 (a) The fees to be paid by the insurer are so unreasonably
49 high as compared with similar contracts entered into by
50 insurers, or as compared with similar contracts entered into by
51 other insurers in similar circumstances, that the contract is
52 detrimental to the policyholders of the insurer.

53 (b) The contract does not comply with the Florida Insurance
54 Code.

55 (c) The pharmacy benefit manager is not registered with the
56 office pursuant to s. 624.490.

57 (5) The commission may adopt rules to administer this
58 section.

59 (6)~~(5)~~ This section applies to contracts entered into,
60 amended, or renewed on or after July 1, 2020 ~~2018~~.

61 Section 5. Section 627.6572, Florida Statutes, is amended
62 to read:

63 627.6572 Pharmacy benefit manager contracts.—

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

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



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69 charges, if any.

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

74 (2) A health insurer may contract only with a pharmacy
75 benefit manager that ~~A contract between a health insurer and a~~
76 ~~pharmacy benefit manager must require that the pharmacy benefit~~
77 ~~manager:~~

78 (a) Updates ~~Update~~ maximum allowable cost pricing
79 information at least every 7 calendar days.

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

85 (c)(3) Does not limit ~~A contract between a health insurer~~
86 ~~and a pharmacy benefit manager must prohibit the pharmacy~~
87 ~~benefit manager from limiting~~ a pharmacist's ability to disclose
88 whether the cost-sharing obligation exceeds the retail price for
89 a covered prescription drug, and the availability of a more
90 affordable alternative drug, pursuant to s. 465.0244.

91 (d)(4) Does not require ~~A contract between a health insurer~~
92 ~~and a pharmacy benefit manager must prohibit the pharmacy~~
93 ~~benefit manager from requiring~~ an insured to make a payment for
94 a prescription drug at the point of sale in an amount that
95 exceeds the lesser of:

96 1.(a) The applicable cost-sharing amount; or

97 2.(b) The retail price of the drug in the absence of



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98 prescription drug coverage.

99 (3) The office may require a health insurer to submit to
100 the office any contract, or amendments to a contract, for the
101 administration or management of prescription drug benefits by a
102 pharmacy benefit manager on behalf of the insurer.

103 (4) After review of a contract under subsection (3), the
104 office may order the insurer to cancel the contract in
105 accordance with the terms of the contract and applicable law if
106 the office determines that any of the following conditions
107 exist:

108 (a) The fees to be paid by the insurer are so unreasonably
109 high as compared with similar contracts entered into by
110 insurers, or as compared with similar contracts entered into by
111 other insurers in similar circumstances, that the contract is
112 detrimental to the policyholders of the insurer.

113 (b) The contract does not comply with the Florida Insurance
114 Code.

115 (c) The pharmacy benefit manager is not registered with the
116 office pursuant to s. 624.490.

117 (5) The commission may adopt rules to administer this
118 section.

119 (6)~~(5)~~ This section applies to contracts entered into,
120 amended, or renewed on or after July 1, 2020 ~~2018~~.

121 Section 6. Section 641.314, Florida Statutes, is amended to
122 read:

123 641.314 Pharmacy benefit manager contracts.—

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

125 (a) "Maximum allowable cost" means the per-unit amount that
126 a pharmacy benefit manager reimburses a pharmacist for a



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127 prescription drug, excluding dispensing fees, prior to the
128 application of copayments, coinsurance, and other cost-sharing
129 charges, if any.

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

134 (2) A health maintenance organization may contract only
135 with a pharmacy benefit manager that ~~A contract between a health~~
136 ~~maintenance organization and a pharmacy benefit manager must~~
137 ~~require that the pharmacy benefit manager:~~

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

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

145 (c) ~~(3)~~ Does not limit ~~A contract between a health~~
146 ~~maintenance organization and a pharmacy benefit manager must~~
147 ~~prohibit the pharmacy benefit manager from limiting a~~
148 pharmacist's ability to disclose whether the cost-sharing
149 obligation exceeds the retail price for a covered prescription
150 drug, and the availability of a more affordable alternative
151 drug, pursuant to s. 465.0244.

152 (d) ~~(4)~~ Does not require ~~A contract between a health~~
153 ~~maintenance organization and a pharmacy benefit manager must~~
154 ~~prohibit the pharmacy benefit manager from requiring a~~
155 subscriber to make a payment for a prescription drug at the



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156 point of sale in an amount that exceeds the lesser of:

157 1. ~~(a)~~ The applicable cost-sharing amount; or

158 2. ~~(b)~~ The retail price of the drug in the absence of
159 prescription drug coverage.

160 (3) The office may require a health maintenance
161 organization to submit to the office any contract, or amendments
162 to a contract, for the administration or management of
163 prescription drug benefits by a pharmacy benefit manager on
164 behalf of the health maintenance organization.

165 (4) After review of a contract under subsection (3), the
166 office may order the health maintenance organization to cancel
167 the contract in accordance with the terms of the contract and
168 applicable law if the office determines that any of the
169 following conditions exist:

170 (a) The fees to be paid by the health maintenance
171 organization are so unreasonably high as compared with similar
172 contracts entered into by health maintenance organizations, or
173 as compared with similar contracts entered into by other health
174 maintenance organizations in similar circumstances, that the
175 contract is detrimental to the subscribers of the health
176 maintenance organization.

177 (b) The contract does not comply with the Florida Insurance
178 Code.

179 (c) The pharmacy benefit manager is not registered with the
180 office pursuant to s. 624.490.

181 (5) The commission may adopt rules to administer this
182 section.

183 ~~(6)~~ This section applies to pharmacy benefit manager
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185 ===== T I T L E A M E N D M E N T =====

186 And the title is amended as follows:

187 Delete lines 25 - 35

188 and insert:

189 F.S.; authorizing the office to require health
190 insurers or health maintenance organizations to submit
191 to the office certain contracts or contract amendments
192 entered into with pharmacy benefit managers;