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CS/HB 697, Engrossed 1

2026 Legislature

1  
2 An act relating to drug prices and coverage; amending  
3 s. 626.8825, F.S.; revising the definition of the term  
4 "pharmacy benefits plan or program" to exclude a plan  
5 or program that exclusively serves a PACE  
6 organization; requiring contracts between pharmacy  
7 benefit managers and participating pharmacies to allow  
8 a specified option in the administrative appeal  
9 procedure; amending s. 626.8827, F.S.; providing  
10 pharmacy benefit manager prohibited practices relating  
11 to pharmacies and pharmacists; providing an  
12 appropriation for implementation of the Ryan White  
13 Part B AIDS Drug Assistance Program (ADAP) through a  
14 specified date; defining the term "low income" for  
15 purposes of ADAP eligibility through a specified date;  
16 providing requirements for the implementation of ADAP  
17 through a specified date; requiring the Department of  
18 Health to submit monthly reports providing a detailed  
19 accounting of ADAP to the Governor's Office of Policy  
20 and Budget and the chairs of the legislative  
21 appropriations committees; specifying requirements for  
22 the reports; requiring the department to adopt  
23 emergency rules to implement ADAP; providing that such  
24 emergency rules are exempt from specified rulemaking  
25 requirements and remain in effect through a specified

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26 date; providing effective dates.

27

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

29

30 Section 1. Paragraph (u) of subsection (1) and paragraph  
 31 (h) of subsection (3) of section 626.8825, Florida Statutes, are  
 32 amended to read:

33 626.8825 Pharmacy benefit manager transparency and  
 34 accountability.—

35 (1) DEFINITIONS.—As used in this section, the term:

36 (u) "Pharmacy benefits plan or program" means a plan or  
 37 program that pays for, reimburses, covers the cost of, or  
 38 provides access to discounts on pharmacist services provided by  
 39 one or more pharmacies to covered persons who reside in, are  
 40 employed by, or receive pharmacist services from this state.

41 1. The term includes, but is not limited to, health  
 42 maintenance organizations, health insurers, self-insured  
 43 employer health plans, discount card programs, and government-  
 44 funded health plans, including the Statewide Medicaid Managed  
 45 Care program established pursuant to part IV of chapter 409 and  
 46 the state group insurance program pursuant to part I of chapter  
 47 110.

48 2. The term excludes such a plan or program under chapter  
 49 440 or a plan or program that exclusively serves a PACE  
 50 organization, as defined in s. 430.84(1).

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51 (3) CONTRACTS BETWEEN A PHARMACY BENEFIT MANAGER AND A  
52 PARTICIPATING PHARMACY.—In addition to other requirements in the  
53 Florida Insurance Code, a participation contract executed,  
54 amended, adjusted, or renewed on or after July 1, 2023, that  
55 applies to pharmacist services on or after January 1, 2024,  
56 between a pharmacy benefit manager and one or more pharmacies or  
57 pharmacists, must include, in substantial form, terms that  
58 ensure compliance with all of the following requirements, and  
59 that, except to the extent not allowed by law, shall supersede  
60 any contractual terms in the participation contract to the  
61 contrary:

62 (h) The pharmacy benefit manager shall provide a  
63 reasonable administrative appeal procedure to allow a pharmacy  
64 or pharmacist to challenge the maximum allowable cost pricing  
65 information and the reimbursement made under the maximum  
66 allowable cost as defined in s. 627.64741 for a specific drug as  
67 being below the acquisition cost available to the challenging  
68 pharmacy or pharmacist.

69 1. The administrative appeal procedure must include a  
70 telephone number and e-mail address, or a website, for the  
71 purpose of submitting the administrative appeal. The appeal may  
72 be submitted by the pharmacy or an agent of the pharmacy  
73 directly to the pharmacy benefit manager or through a pharmacy  
74 service administration organization. The administrative appeal  
75 procedure must allow a pharmacy or pharmacist the option to

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76 | submit a consolidated administrative appeal representing  
77 | multiple adjudicated claims that share the same drug and day  
78 | supply and have a date of service occurring within the same  
79 | calendar month. The pharmacy or pharmacist must be given at  
80 | least 30 business days after a maximum allowable cost update or  
81 | after an adjudication for an electronic claim or reimbursement  
82 | for a nonelectronic claim to file the administrative appeal.

83 | 2. The pharmacy benefit manager must respond to the  
84 | administrative appeal within 30 business days after receipt of  
85 | the appeal.

86 | 3. If the appeal is upheld, the pharmacy benefit manager  
87 | must:

88 | a. Update the maximum allowable cost pricing information  
89 | to at least the acquisition cost available to the pharmacy;

90 | b. Permit the pharmacy or pharmacist to reverse and rebill  
91 | the claim in question;

92 | c. Provide to the pharmacy or pharmacist the national drug  
93 | code on which the increase or change is based; and

94 | d. Make the increase or change effective for each  
95 | similarly situated pharmacy or pharmacist who is subject to the  
96 | applicable maximum allowable cost pricing information.

97 | 4. If the appeal is denied, the pharmacy benefit manager  
98 | must provide to the pharmacy or pharmacist the national drug  
99 | code and the name of the national or regional pharmaceutical  
100 | wholesalers operating in this state which have the drug

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101 currently in stock at a price below the maximum allowable cost  
 102 pricing information.

103 5. Every 90 days, a pharmacy benefit manager shall report  
 104 to the office the total number of appeals received and denied in  
 105 the preceding 90-day period, with an explanation or reason for  
 106 each denial, for each specific drug for which an appeal was  
 107 submitted pursuant to this paragraph.

108 Section 2. Subsections (8) and (9) are added to section  
 109 626.8827, Florida Statutes, to read:

110 626.8827 Pharmacy benefit manager prohibited practices.—In  
 111 addition to other prohibitions in this part, a pharmacy benefit  
 112 manager may not do any of the following:

113 (8) Prohibit or restrict a pharmacy or pharmacist from  
 114 declining to dispense a drug if the reimbursement rate is less  
 115 than the actual acquisition cost incurred or would be incurred  
 116 by the pharmacy or pharmacist.

117 (9) Reimburse a pharmacy or pharmacist less than it  
 118 reimburses an affiliated pharmacy or pharmacist, as those terms  
 119 are defined in s. 626.8825(1).

120 Section 3. For the 2025-2026 fiscal year, the nonrecurring  
 121 sum of \$30,901,933 from the Grants and Donations Trust Fund is  
 122 appropriated to the Department of Health for implementation of  
 123 the Ryan White Part B AIDS Drug Assistance Program (ADAP)  
 124 through June 30, 2026.

125 (1) For purposes of ADAP eligibility through June 30,

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126 2026, the term "low income" means an adjusted gross household  
127 income at or below 400 percent of the federal poverty level.

128 (2) Through June 30, 2026, ADAP services may not be  
129 provided through or by the purchase of health insurance that  
130 includes coverage for HIV/AIDS medications but must be provided  
131 through the distribution of medications directly to eligible  
132 individuals. The HIV/AIDS medications directly dispensed under  
133 ADAP must include all medications listed on the Florida AIDS  
134 Drug Assistance Program (ADAP) Formulary as that formulary  
135 existed on March 1, 2026. The Department of Health shall  
136 distribute such medications to low income individuals who have  
137 met the department's eligibility requirements. The department  
138 shall ensure the availability of a clinically appropriate  
139 medication for individuals with a creatinine clearance of less  
140 than 60 milliliters per minute and may, as necessary to  
141 implement this section within appropriated funds, provide such  
142 medications only to those individuals.

143 (3) The Florida AIDS Drug Assistance Program (ADAP) Self-  
144 Insured Formulary as that formulary existed on March 1, 2026,  
145 shall remain in effect through at least June 30, 2026.

146 (4) Beginning April 1, 2026, the Department of Health  
147 shall submit monthly reports providing a detailed accounting of  
148 ADAP to the Governor's Office of Policy and Budget, the chair of  
149 the Senate Committee on Appropriations, and the chair of the  
150 House of Representatives Budget Committee.

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151        (a) The reports must include, at a minimum, all of the  
 152 following:  
 153        1. All state and federal revenues and expenditures;  
 154        2. All manufacturer rebates and other pharmaceutical  
 155 offsets received or accrued;  
 156        3. The total number of individuals participating in the  
 157 program;  
 158        4. Participant counts by county of residence or  
 159 administering organization, as applicable;  
 160        5. Participants' insurance statuses;  
 161        6. The number and type of prescriptions filled, including  
 162 utilization by drug class; and  
 163        7. Any other information necessary to provide transparency  
 164 with regard to program operations, utilization trends, cost  
 165 drivers, and fiscal sustainability.  
 166        (b) The department shall also include in its reports  
 167 month-over-month and year-to-date trend analyses and identify  
 168 any projected funding shortfalls, enrollment pressures, or  
 169 operational risks anticipated within the current fiscal year.  
 170        (c) Reports must be submitted in a consistent format to  
 171 allow comparison across reporting periods.  
 172        (5) The Department of Health shall adopt emergency rules  
 173 to implement ADAP in accordance with this section. Emergency  
 174 rules adopted under this section are exempt from s.  
 175 120.54(4)(c), Florida Statutes, and shall remain in effect

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176 | through June 30, 2026.

177

178 | This section shall take effect upon this act becoming a law.

179 |       Section 4. Except as otherwise expressly provided in this  
180 | act and except for this section, which shall take effect upon  
181 | this act becoming a law, this act shall take effect July 1,  
182 | 2026.