BILL SUMMARY

1st Session of the 57th Legislature

Bill No.: HB2632
Version: SAHB
Request Number: NA
Author: Echols (H), McCortney (S)
Date: 5/2/2019
Impact: Please see previous summary of this measure

Research Analysis

The senate amendments to HB2632 modifies sections of the Patient's Right to Pharmacy Choice Act. The senate amendments:

- Clarify the PBM reimbursement calculation to pharmacies.
- Removes distinction that PBM reimbursement requirement to pharmacies shall only apply to independent pharmacies.
- Remove the prohibition that PBMs may not impose a monetary penalty on an individual affecting the individual's choice of network pharmacy.
- Remove the provision that health insurers and PBMs have a fiduciary duty to all covered persons regarding prescription drug benefits.
- Add that a person's choice of in-network provider may be a retail or mail-order pharmacy and that choice may not be restricted, required, or incentivized by an insurer.
- Add that regarding an insurer's annual report to the Commissioner on use of compensation from pharmaceutical manufacturers, the report shall not be considered proprietary information.
- Exempts self-funded plans from provisions of this act, unless the Supreme Court of the United States rules that state laws may regulate PBMs.

HB 2632 creates the "Patient's Right to Pharmacy Choice Act" for the purpose of establishing uniform access to a pharmacy provider. The measure:

- Imposes access standards on retail pharmacy networks based on the location of individuals in the benefit plan;
- Directs the Oklahoma Insurance Department to review and approve retail pharmacy network access for all benefit plans;
- Prohibits certain actions by pharmacy benefit managers;
- Requires health insurers to monitor covered individual's access to prescription drug benefits;
- Requires health benefit plans and pharmacy benefit plans to retain any compensation remitted by a pharmaceutical manufacturer, developer or labeler for the purpose of lowering costs or expanding benefit coverage;
- Requires benefit plans to file a report with the Insurance Commissioner describing any compensation received and demonstrate how it was used to lower costs or expand coverage;
- Requires health insurers to adopt a formulary and sets minimum standards;
- Authorizes the Insurance Commissioner to monitor pharmacy benefits managers to ensure compliance with the provisions of the act; and
- Directs the Commissioner to establish a process for receiving and reviewing complaints alleging violations of the act.

Prepared By: Anna Rouw

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.

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