

BILL SUMMARY

1st Session of the 60th Legislature

Bill No.:	SB789
Version:	FULLPCS1
Request Number:	13512
Author:	Rep. Stinson
Date:	4/21/2025
Impact:	HealthChoice: Potential Costs

Research Analysis

The proposed committee substitute for SB789 restores language that specifies that portions of the designated section will not apply to any audit initiated based on or that involves fraud, willful misrepresentation, or abuse. The pcs also provides that any PBM that leases, rents, or otherwise makes its provider network or contracts available to another PBM must provide notice of each party involved, provide contract information, and transmit the network reimbursement identification information with each claim response. The pcs also provides that any PBM that leases, rents, or otherwise makes its provider network of contracts available to another PBM must not combine any ERISA or government plans with any non-ERISA or nongovernment plans.

SB 789 provides that the entity conducting the audit of a pharmacy will permit a pharmacy to use drug purchase records without limitation of date or source to validate the dispensing of a prescription drug or a controlled dangerous substance, provided that it was done in accordance with the law. The measure adds a definition of effective rate contracting to statute. The PBM must ensure that reimbursement to pharmacies for each drug dispensed is no less than 106% of the National Average Drug Acquisition Cost plus a professional fee of \$15. If the drug does not have a published price, the reimbursement will be 110% of the wholesale acquisition cost plus the professional fee. Effective rate contracting is prohibited in all agreements between pharmacies and a PBM. Any PBM in violation of this will be subject to penalties. The provisions of this section will not be waived, voided, or nullified by contract.

Prepared By: Suzie Nahach, House Research Staff

Fiscal Analysis

SB 789 establishes a minimum reimbursement rate for certain drugs in contracts between pharmacy benefits managers (PBMs) and pharmacies. It also outlines PBM requirements related to network sharing and prohibits effective rate contracting between pharmacies and PBMs. Additionally, the measure allows pharmacies to use drug purchase records, without limitation of date or source, to validate the dispensing of prescription drugs or controlled dangerous substances.

While the Oklahoma Health Care Authority anticipates that the proposed dispensing fee may impact the state's HealthChoice plan, the agency is working with the Office of the Attorney General to develop a comprehensive analysis. As additional feedback is received, this impact will be updated.

Prepared By: Alexandra Ladner, House Fiscal Staff

Other Considerations

None.

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