| 1  | STATE OF OKLAHOMA  |
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| 2  | 1st Session of the 60th Legislature (2025)   |
| 3  | SENATE BILL 161 By: Hicks  |
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| 6  | AS INTRODUCED  |
| 7  | An Act relating to pharmacy benefits management;   |
| 8  | amending 36 O.S. 2021, Section 6962, as last amended by Section 2, Chapter 306, O.S.L. 2024 (36 O.S. Supp. |
| 9  | 2024, Section 6962), which relates to pharmacy benefits manager compliance; requiring pharmacy             |
| 10 | benefits manager to maintain certain fiduciary duty;<br>updating statutory language; and providing an      |
| 11 | effective date.  |
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| 13 | BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:  |
| 14 | SECTION 1. AMENDATORY 36 O.S. 2021, Section 6962, as   |
| 15 | last amended by Section 2, Chapter 306, O.S.L. 2024 (36 O.S. Supp.   |
| 16 | 2024, Section 6962), is amended to read as follows:  |
| 17 | Section 6962. A. The Attorney General shall review and approve   |
| 18 | retail pharmacy network access for all pharmacy benefits managers  |
| 19 | (PBMs) to ensure compliance with Section 6961 of this title.   |
| 20 | B. A PBM, or an agent of a PBM, shall not:   |
| 21 | 1. Cause or knowingly permit the use of advertisement,   |
| 22 | promotion, solicitation, representation, proposal or offer that is   |
| 23 | untrue, deceptive or misleading;   |
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1 2. Charge a pharmacist or pharmacy a fee related to the 2 adjudication of a claim including without limitation a fee for: 3 a. the submission of a claim, 4 enrollment or participation in a retail pharmacy b. 5 network, or 6 с. the development or management of claims processing 7 services or claims payment services related to 8 participation in a retail pharmacy network; 9 Reimburse a pharmacy or pharmacist in the state an amount 3. 10 less than the amount that the PBM reimburses a pharmacy owned by or 11 under common ownership with a PBM for providing the same covered 12 services. The reimbursement amount paid to the pharmacy shall be 13 equal to the reimbursement amount calculated on a per-unit basis 14 using the same generic product identifier or generic code number 15 paid to the PBM-owned or PBM-affiliated pharmacy; 16 4. Deny a provider the opportunity to participate in any

<sup>17</sup> pharmacy network at preferred participation status if the provider <sup>18</sup> is willing to accept the terms and conditions that the PBM has <sup>19</sup> established for other providers as a condition of preferred network <sup>20</sup> participation status;

5. Deny, limit or terminate a provider's contract based on employment status of any employee who has an active license to dispense, despite probation status, with the State Board of Pharmacy;

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| 1        | 6. Retroactively deny or reduce reimbursement for a covered                                   |
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| 2        | service claim after returning a paid claim response as part of the                            |
| 3        | adjudication of the claim, unless:  |
| 4        | a. the original claim was submitted fraudulently, or  |
| 5        | b. to correct errors identified in an audit, so long as                                       |
| 6        | the audit was conducted in compliance with Sections   |
| 7        | 356.2 and 356.3 of Title 59 of the Oklahoma Statutes;   |
| 8        | 7. Fail to make any payment due to a pharmacy or pharmacist for                               |
| 9        | covered services properly rendered in the event a PBM terminates a                            |
| 10       | provider from a pharmacy benefits manager network;  |
| 11       | 8. Conduct or practice spread pricing, as defined in Section                                  |
| 12       | 6960 of this title, in this state; or   |
| 13       | 9. Charge a pharmacist or pharmacy a fee related to   |
| 14       | participation in a retail pharmacy network including $_{\underline{\textit{\prime}}}$ but not |
| 15       | limited to <u>,</u> the following:  |
| 16       | a. an application fee,  |
| 17       | b. an enrollment or participation fee,  |
| 18       | c. a credentialing or re-credentialing fee,   |
| 19       | d. a change of ownership fee, or  |
| 20       | e. a fee for the development or management of claims  |
| 21       | processing services or claims payment services.   |
| 22       | C. The prohibitions under this section shall apply to contracts                               |
| 23       | between pharmacy benefits managers and providers for participation                            |
| 24<br>27 | in retail pharmacy networks.  |
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A PBM contract shall:

a. not restrict, directly or indirectly, any pharmacy that dispenses a prescription drug from informing, or penalize such pharmacy for informing, an individual of any differential between the individual's out-ofpocket cost or coverage with respect to acquisition of the drug and the amount an individual would pay to purchase the drug directly, and

9 b. ensure that any entity that provides pharmacy benefits 10 management services under a contract with any such 11 health plan or health insurance coverage does not, 12 with respect to such plan or coverage, restrict, 13 directly or indirectly, a pharmacy that dispenses a 14 prescription drug from informing, or penalize such 15 pharmacy for informing, a covered individual of any 16 differential between the individual's out-of-pocket 17 cost under the plan or coverage with respect to 18 acquisition of the drug and the amount an individual 19 would pay for acquisition of the drug without using 20 any health plan or health insurance coverage.

21 2. A pharmacy benefits manager's contract with a provider shall 22 not prohibit, restrict, or limit disclosure of information or 23 documents to the Attorney General, law enforcement or state and 24 federal governmental officials investigating or examining a <sup>1</sup> complaint or conducting a review of a pharmacy benefits manager's <sup>2</sup> compliance with the requirements under the Patient's Right to <sup>3</sup> Pharmacy Choice Act, the Pharmacy Audit Integrity Act, and Sections <sup>4</sup> 357 through 360 of Title 59 of the Oklahoma Statutes.

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D. A pharmacy benefits manager shall:

6 1. Establish and maintain an electronic claim inquiry
7 processing system using the National Council for Prescription Drug
8 Programs' Programs's current standards to communicate information to
9 pharmacies submitting claim inquiries;

10 2. Fully disclose to insurers, self-funded employers, unions or 11 other PBM clients the existence of the respective aggregate 12 prescription drug discounts, rebates received from drug 13 manufacturers and pharmacy audit recoupments;

14 3. Provide the Attorney General, insurers, self-funded employer 15 plans and unions unrestricted audit rights of and access to the 16 respective PBM pharmaceutical manufacturer and provider contracts, 17 plan utilization data, plan pricing data, pharmacy utilization data 18 and pharmacy pricing data;

Maintain, for no less than three (3) years, documentation of all network development activities including, but not limited to, contract negotiations and any denials to providers to join networks. This documentation shall be made available to the Attorney General upon request; and

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| 1        | 5. Report to the Attorney General, on a quarterly basis for          |
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| 2        | each health insurer payor, on the following information:             |
| 3        | a. the aggregate amount of rebates received by the PBM,              |
| 4        | b. the aggregate amount of rebates distributed to the                |
| 5        | appropriate health insurer payor,                                    |
| 6        | c. the aggregate amount of rebates passed on to the                  |
| 7        | enrollees of each health insurer payor at the point of               |
| 8        | sale that reduced the applicable deductible,                         |
| 9        | copayment, coinsure or other cost sharing amount of                  |
| 10       | the enrollee,  |
| 11       | d. the individual and aggregate amount paid by the health            |
| 12       | insurer payor to the PBM for pharmacy services                       |
| 13       | itemized by pharmacy, drug product and service                       |
| 14       | provided, and  |
| 15       | e. the individual and aggregate amount a PBM paid a                  |
| 16       | provider for pharmacy services itemized by pharmacy,                 |
| 17       | drug product and service provided; and                               |
| 18       | 6. Maintain a fiduciary duty to insurers and insureds served by      |
| 19       | the PBM.   |
| 20       | E. Nothing in the Patient's Right to Pharmacy Choice Act shall       |
| 21       | prohibit the Attorney General from requesting and obtaining detailed |
| 22       | data, including raw data, in response to the information provided by |
| 23       | a PBM in the quarterly reports required by this section. The         |
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| 1  | Attorney General may alter the frequency of the reports required by |
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| 2  | this section at his or her sole discretion.                         |
| 3  | F. The Attorney General may promulgate rules to implement the       |
| 4  | provisions of the Patient's Right to Pharmacy Choice Act, the       |
| 5  | Pharmacy Audit Integrity Act, and Sections 357 through 360 of Title |
| 6  | 59 of the Oklahoma Statutes.  |
| 7  | SECTION 2. This act shall become effective November 1, 2025.        |
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| 9  | 60-1-674 CAD 12/30/2024 11:52:39 AM                                 |
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