

BILL SUMMARY

1st Session of the 60th Legislature

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| Bill No.: | HB2048 |
| Version: | FULLPCS1 |
| Request Number: | 12771 |
| Author: | Rep. Stinson |
| Date: | 2/21/2025 |
| Impact: | AG Office: \$410,000 |

Research Analysis

The proposed committee substitute for HB 2048 amends the definition of *pharmacy benefits manager* as used in the act to align with the definition used in the Patients Right to Pharmacy Care Act. The pcs prohibits reimbursing a 340B entity that owns, controls, or is in partnership of a pharmacy that fills 340B drugs and also prohibits reimbursing a 340B entity for 340B drugs supplied by mail order pharmacy.

HB 2048 creates the "340B Nondiscrimination Act," which provides that a health insurance issuer, pharmacy benefits manager, other third-party payor, or its agent must reimburse a 340B entity for 340B drugs at a rate lower paid to non-340B entities for the same drug or give a lower reimbursement on the basis that it is a 340B drug. The measure also prohibits imposing any terms or conditions on any 340B entity that differ from those imposed on non-340B entities on the basis that the entity participates in the federal 340B drug discount program. The measure prohibits requiring a 340B entity to reverse, resubmit, or clarify a claim after the initial adjudication unless these are in the course of normal pharmacy business. The measure prohibits discriminating against a 340B entity in a manner that prevents or interferes with a patient's choice to receive such drugs from a 340B entity, including adding any other provisions in a contract. The measure also prohibits requiring or compelling the submission of ingredient costs or pricing data pertaining to 340B drugs and prohibits excluding any 340B entity or refusing to contract with them for reasons other than those that apply equally to non-340B entities.

A manufacturer or distributor must not also deny, restrict, or otherwise interfere with the acquisition or delivery of 340B drugs unless such receipt is prohibited by the United State Department of Health and Human Services. They must not also interfere with a pharmacy contracted with a 340B entity. The pharmacy benefits manager or an agent thereof cannot require a billing modifier for 340B pricing claim unless it's being billed to the Oklahoma Medicaid Program and they cannot modify a patient copayment on the basis that the provider participates in 340B drug pricing. The measure also amends other prohibitions for pharmacy benefit managers fitting within the provisions of this measure. The Attorney General may make rules regulations interpreting provisions of this act and will be responsible for this act. The Attorney General may impose civil fines of between \$100 and \$10,000 for each violation of provisions of the act. Nothing in this measure will be less restrictive than federal law and will not be in conflict with federal law or other state laws.

Prepared By: Suzie Nahach, House Research Staff

Fiscal Analysis

The proposed oversight committee substitute to HB 2048 creates the 340B Nondiscrimination Act, which prohibits insurers and pharmacy benefit managers from engaging in discriminatory

practices regarding the reimbursement of 30B drugs to 30B entities. The Attorney General is responsible for the enforcement of this act and may promulgate rules and regulations to carry out the duties of the measure. Civil fines may be imposed ranging from One Hundred Dollars (\$100) to Ten Thousand Dollars (\$10,000) for each violation.

According to officials from the Attorney General's Office, the implementation of the measure will require the hiring of one attorney, one analyst, and one paralegal. The estimated total cost is Four Hundred Ten Thousand Dollars (\$410,000). Additional appropriations would be required to cover this cost, resulting in a total impact of \$410,000 on the state budget.

Prepared By: Alexandra Ladner House Fiscal Staff

Other Considerations

None.