THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 570 Session of 2019

INTRODUCED BY DELUCA, JAMES, OTTEN, HARKINS, MCNEILL, WARREN, RABB, KORTZ, BARRAR, CALTAGIRONE, FREEMAN, HILL-EVANS, DEASY, MCCLINTON AND SIMS, MARCH 7, 2019

REFERRED TO COMMITTEE ON HEALTH, MARCH 7, 2019

AN ACT

1 Providing for consumer prescription drug pricing disclosure.

2 The General Assembly of the Commonwealth of Pennsylvania

3 hereby enacts as follows:

4 Section 1. Short title.

5 This act shall be known and may be cited as the Consumer 6 Prescription Drug Pricing Disclosure Act.

7 Section 2. Definitions.

8 The following words and phrases when used in this act shall 9 have the meanings given to them in this section unless the 10 context clearly indicates otherwise:

11 "Covered entity." A member, participant, enrollee, 12 contractholder or policyholder providing pharmacy benefits to a 13 covered individual under a health coverage plan pursuant to a 14 contract administered by a pharmacy benefit manager.

15 "Covered individual." A member, participant, enrollee, 16 contractholder or policyholder or beneficiary of a covered 17 entity who is provided health coverage by the covered entity.

1 The term includes a dependent or other person provided health 2 coverage through the policy, contract or plan of a covered 3 individual. "Pharmacist." As defined in section 2(10) of the act of 4 September 27, 1961 (P.L.1700, No.699), known as the Pharmacy 5 6 Act. "Pharmacy." As defined in section 2(12) of the Pharmacy Act. 7 8 "Pharmacy benefits management." Any of the following: 9 Procurement of prescription drugs at a negotiated (1)10 contracted rate for distribution within this Commonwealth to covered individuals. 11 12 Administration or management of prescription drug (2) 13 benefits provided by a covered entity for the benefit of 14 covered individuals. 15 (3) Administration of pharmacy benefits, including: 16 (i) Operating a mail-service pharmacy. Claims processing. 17 (ii) 18 (iii) Managing a retail pharmacy network management. 19 Paying claims to pharmacies for prescription (iv) 20 drugs dispensed to covered individuals via retail or 21 mail-order pharmacy. 22 Developing and managing a clinical formulary, (V) 23 utilization management and quality assurance programs. 24 Rebate contracting and administration. (vi) 25 Managing a patient compliance, therapeutic (vii) 26 intervention and generic substitution program. 27 (viii) Operating a disease management program. 28 (ix) Setting pharmacy reimbursement pricing and 29 methodologies, including maximum allowable cost, and determining single or multiple source drugs. 30

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Pharmacy benefits manager." A person, business or other
entity that performs pharmacy benefits management.
Section 3. Disclosure of prescription drug costs.
(a) Information to covered individual.--A pharmacy or
pharmacist shall have the right to provide a covered individual
with information concerning the cost of a prescription drug,
including the individual's cost share.

8 (b) No prohibition or penalization. -- A pharmacy, pharmacist or contracting agent of a pharmacy or pharmacist may not be 9 10 prohibited from or penalized by a pharmacy benefits manager for discussing the information under subsection (a), disclosing the 11 12 availability of therapeutically equivalent alternative 13 medications or selling to the covered individual a more 14 affordable alternative if an affordable alternative is available. 15

16 Section 4. Effective date.

17 This act shall take effect in 60 days.

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