

STATE OF OKLAHOMA

2nd Session of the 57th Legislature (2020)

COMMITTEE SUBSTITUTE
FOR

HOUSE BILL NO. 3447

By: McEntire

COMMITTEE SUBSTITUTE

An Act relating to insurance; defining terms;
providing for calculation of an enrollee's defined
cost sharing for prescription drugs; providing for
codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 6970 of Title 36, unless there
is created a duplication in numbering, reads as follows:

As used in this act:

1. "Defined cost sharing" means a deductible payment or
coinsurance amount imposed on an enrollee for a covered prescription
drug under the enrollee's health benefit plan;

2. "Insurer" means any entity that provides a health benefit
plan in this state, including, but not limited to, a licensed
insurance company, group hospital service corporation, a not-for-

1 profit hospital service and medical indemnity corporation, a health
2 maintenance organization, a preferred provider organization, or any
3 other entity subject to regulation by the Insurance Commissioner;

4 3. "Price protection rebate" means a negotiated price
5 concession that accrues directly or indirectly to the insurer, or
6 other party on behalf of the insurer, in the event of an increase in
7 the wholesale acquisition cost of a drug above a specified
8 threshold; and

9 4. "Rebate" means:

- 10 a. negotiated price concessions, including, but not
11 limited to, base price concessions, whether described
12 as a "rebate" or otherwise, and reasonable estimates
13 of any price protection rebates and performance-based
14 price concessions that may accrue directly or
15 indirectly to the insurer during the coverage year
16 from a manufacturer, dispensing pharmacy, or other
17 party in connection with the dispensing or
18 administration of a prescription drug, and
- 19 b. reasonable estimates of any negotiated price
20 concessions, fees and other administrative costs that
21 are passed through, or are reasonably anticipated to
22 be passed through, to the insurer and serve to reduce
23 the insurer's liabilities for a prescription drug.
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1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6971 of Title 36, unless there
3 is created a duplication in numbering, reads as follows:

4 An enrollee's defined cost sharing for each prescription drug
5 shall be calculated at the point of sale based on a price that is
6 reduced by an amount equal to at least eighty percent (80%) of all
7 rebates received, or to be received, in connection with the
8 dispensing or administration of the prescription drug.

9 SECTION 3. This act shall become effective November 1, 2020.

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