

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               2nd Session of the 57th Legislature (2020)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 3447

By: McEntire

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8                               COMMITTEE SUBSTITUTE

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

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

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

18               As used in this act:

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

22               2. "Insurer" means any entity that provides a health benefit  
23 plan in this state, including, but not limited to, a licensed  
24 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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11 COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 03/02/2020 - DO PASS,  
12 As Amended.

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