

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	HB 2314
Version:	Proposed Committee Substitute
Request Number:	10934
Author:	Marti
Date:	2/10/2020
Impact:	None

Research Analysis

HB 2314 introduces a number of changes to the Pharmacy Audit Integrity Act and licensure requirements for pharmacy benefit managers (PBMs). These changes include:

- Expanding applicability of the Pharmacy Audit Integrity Act to include additional types of audits,
- Excluding actual invoice costs of dispensing prescriptions from estimates of overpayments by a pharmacy,
- Reducing the number of prescriptions which can be audited on an annual basis from 75 to 50,
- Removing the provision that auditing agencies may withhold funds should a discrepancy greater than \$25,000 be identified,
- Providing a protocol for auditing agencies to reverse a finding of a discrepancy under certain conditions,
- Reducing the time period an auditing agency must deliver a final report from 120 to 90 days,
- Increasing the time period a pharmacy may respond to a finding of discrepancy with documentation from 60 to 90 days,
- Making price updates for challenged reimbursement claims, if warranted, retroactive for all PBM-contracted pharmacies, and
- Prohibiting PBMs from placing a drug on a Maximum Allowable Cost (MAC) list unless there are at least two therapeutically equivalent drugs or one generic drug available.

Prepared By: Anna Rouw

Fiscal Analysis

HB 2314, as written, has no fiscal impact to the agency

Prepared By: Stacy Johnson

Other Considerations

None.

