

**BILL SUMMARY**  
1<sup>st</sup> Session of the 58<sup>th</sup> Legislature

|                        |                      |
|------------------------|----------------------|
| <b>Bill No.:</b>       | <b>HB 2123</b>       |
| <b>Version:</b>        | <b>SAHB</b>          |
| <b>Request Number:</b> |                      |
| <b>Author:</b>         | <b>Rep. McEntire</b> |
| <b>Date:</b>           | <b>5/5/2021</b>      |
| <b>Impact:</b>         | <b>\$0</b>           |

**Research Analysis**

The Senate amendment to HB 2123 (SAHB) strikes the title and enacting clause and replaces it with new language. The Senate amendment also creates and defines “Pharmacy Choice Commission” when used with reference to the administration of the Oklahoma Insurance Code.

The Senate amendment directs the Insurance Commissioner with the duty of administration and enforcement of the provisions of the Oklahoma Insurance Code and determining the duties assigned to the Patient’s Right to Pharmacy Choice Commission. The SAHB 2123 provides the rules and regulations for the Patient’s Right to Pharmacy Choice Commission along with its membership requirements and term limits.

The SAHB 2123 requires the Insurance Commissioner on a quarterly basis to report to the Pharmacy Choice Commission an accounting of matters relating to pharmacy benefit managers including, but not limited to, the number and types of complaints:

- Received
- Resolved by hearing
- Resolved by settlement
- Determined not to be violations
- That are outstanding

The SAHB 2123 modifies provisions in the act to charge the Patient’s Right to Pharmacy Choice Commission with certain duties and authorities. Additionally, the SAHB 2123 requires the Patient’s Right to Pharmacy Commission to conduct any hearing pursuant to the Patient’s Right to Pharmacy Choice Act or relating to the oversight of pharmacy benefit managers. The Commission is required to issue a final order within 30 days after termination of a hearing unless time is extended by stipulation. The SAHB 2123 prohibits the Pharmacy Choice Commission members from receiving any compensation related to conducting a hearing including per diem or mileage for any travel or expenses related to appointment on the Commission.

Pharmacy benefit managers that are examined are required to pay all reasonable charges incurred in such examination including expenses of the Pharmacy Choice Commission. The Insurance Commissioner is authorized to examine all records of Pharmacy benefit managers pursuant to Oklahoma Insurance law.

The SAHB 2123 modifies the required response time to inquiries sent from the Commissioner from 30 days to 20 days. Next, the SAHB 2123 adds to the powers and authority of the Insurance Commissioner to require restitution and approve and sign settlement agreements. Any violation that cannot be settled shall go to hearing before the Pharmacy Choice Commission. The SAHB 2123 provides the breadth of authority directed to the Pharmacy Choice Commission in relation

to hearings, penalties, and fines. Lastly, the SAHB 2123 requires the Insurance Commissioner to set a hearing within 30 days of notice and requires a notice of the hearing to be provided to the complainant within a reasonable period of time.

Prepared By: Dan Brooks

### **Fiscal Analysis**

HB 2123 creates the Pharmacy Choice Commission in and under the Oklahoma Insurance Department. OID believes the measure will require the hiring of additional staff, but is unsure of how many at this point and time. While this will create an impact on OID, OID is a nonappropriated agency, and therefore HB 2123 will not create a fiscal impact for the State.

The Senate amendments do not change the fiscal impact for this measure.

Prepared By: Mariah Searock

### **Other Considerations**

None.