

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	SB737
Version:	FA2
Request Number:	8150
Author:	McEntire
Date:	4/14/2021
Impact:	No impact

Research Analysis

FA2 to SB 737 strikes the definition of Pharmacy and therapeutics committee or P&T committee from the bill and adds the definitions of “provider” and “spread pricing” to the bill. FA2 also adds the practice of spread pricing to the list of restrictions for a Pharmacy benefits manager (PBM) or an agent of a PBM.

FA2 provides a list of requirements that pharmacy benefit managers must adhere to such as being fully transparent with insurers, provide unrestricted audit rights to certain entities, maintain documentation of all network development activities including contract negotiations and any denials to pharmacies to join networks for no less than 3 years and make said documentation available to the Insurance Commissioner upon request. Additionally, FA2 also requires PBMs to report to the Insurance Commissioner on a quarterly basis for each healthcare insurer payor certain information.

FA2 modifies the timeframe of a required response from a PBM to an inquiry from the Insurance Commissioner from 30 days to 20 days from the date the inquiry is sent.

Floor amendment 2 authorizes the Insurance Commissioner to censure, suspend, revoke or refuse to renew a license of or levy a civil penalty against any PBM under the insurance laws of this state for any violation of the Patient’s Right to Pharmacy Choice Act. Additionally, after notice and opportunity for a hearing, a PBM may be subject to a civil fine of not less than \$100.00 and not greater than \$10,000.00 for each violation. The Commissioner is authorized to enforce the provisions of the Patient’s Right to Pharmacy Choice Act and impose any penalty or remedy authorized under this act against a PBM under investigation for or charged with a violation. Each day that a pharmacy benefits manager conducts business in Oklahoma without a license will be deemed an instance of violation.

Lastly, FA2 declares an emergency.

Prepared By: Dan Brooks

Fiscal Analysis

The floor amendment 2 has no fiscal considerations to the state.

Prepared By: Stacy Johnson

Other Considerations

None.

