

Bill Summary
1st Session of the 58th Legislature

Bill No.:	SB 165
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Author:	Sen. Hicks
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Bill Analysis

SB 165 directs the Insurance Department to compile a list of prescription drugs determined to be essential for treating diabetes and the cost of said drugs no later than February 1 of each year. The Department must also determine if any of the drugs were subject to a wholesale acquisition cost increase greater than the percentage increase in the Consumer Price Index, Medical Care Component during the preceding year or twice the percentage increase in the Consumer Price Index, Medical Care Component during the preceding 2 years.

Companies that appear on the list compiled by the Department must disclose certain information in a report to the Department detailing the reasoning behind the cost increase as well as other relevant facts relating to the drug as outlined in the measure. Pharmacy benefits managers are also required by the measure to submit a report to the Department detailing total amount of all rebates that the pharmacy benefits manager negotiated with manufacturers during the preceding year, total amount of all rebates, and a plan to comply with outlined in the measure.

The Department must analyze and compile the submitted information and author a report that describes the reasons for any increases in the described prices and the effect of those prices on overall spending on prescription drugs in this state. The measure directs the Department to maintain a website showing prescription drug prices and to publish the reports compiled and submitted to the Department. The Department may establish additional or alternative procedures by which a consumer who is unable to access the Internet to provide access to the information described above.

Prepared by: Kalen Taylor