

**BILL SUMMARY**  
2<sup>nd</sup> Session of the 58<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB4087</b>
<b>Version:</b>	<b>INT</b>
<b>Request Number:</b>	<b>9358</b>
<b>Author:</b>	<b>Wallace</b>
<b>Date:</b>	<b>2/22/2022</b>
<b>Impact:</b>	<b>See below</b>

**Research Analysis**

HB 4087 creates the Oklahoma Rebate Pass-Through and PBM Meaningful Transparency Act of 2022. The bill modifies the application form requirements for licensure procedures. The measure also modifies certain definitions and creates new ones in the act.

A pharmacy benefits manager (PBM) is required to provide the Insurance Department with a report containing certain information from the prior calendar year as it pertains to pharmacy benefits provided by health insurers to enrollees in the state. The measure requires the Insurance Department to publish the information it receives from PBMs on a website without disclosing certain information. A PBM is required to impose the confidentiality protections of the measure on any vendor or downstream third party that performs health care or administrative services on behalf of the PBM.

The act adds prohibitions to compliance requirements for a pharmacy benefits manager, or an agent of a PBM. A PBM is required to publish on a website the health plan formulary and timely notification of formulary changes and/or product exclusions for each of the PBM's contracts or other relationships with a health plan.

The measure creates new agency duties regarding a formulary for prescription drugs for health insurers, its agent's, including pharmacy benefit managers, pharmacy and therapeutics committee (P&T committee). The act prohibits the health insurer, its agents, including PBMs and the Insurance Department from publishing or disclosing any confidential or proprietary information.

The bill creates PBM and insurer fairness in cost sharing. The measure specifies penalties for violations of the act.

Prepared By: Dan Brooks

**Fiscal Analysis**

From the Oklahoma Insurance Department: It appears there are quite a few items added that could result in more violations than we are experiencing now. In addition to some reports that OID will have to ensure are redacted and shared to the website. With that said, we have a starting estimate of this legislation resulting in us needing to hire 2 FTE's with a cost of about \$150k-\$200k per year, to OID's budget.

Prepared By: Stacy Johnson

**Other Considerations**

None.

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