Bill Summary

2nd Session of the 59th Legislature

Bill No.: SB 1628
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Author: Sen. Howard
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Bill Analysis

SB 1628 prohibits any pharmacy benefits manager (PBM) from discriminating or imposing separate terms upon a provider on the basis that a provider participates in 340B drug pricing. Additionally, no PBM may require a billing modifier to indicate that the drug or claim is a 340B drug pricing claim nor can a PBM require a provider to revisit a 340B drug pricing claim after the initial adjudication. PBMs may not modify a patient copayment on the basis that the provider of the patient participates in 340B drug pricing no may they exclude a provider from a network on the basis of using 340B drug pricing. PBMs cannot base the drug formulary or drug coverage decisions upon the 340B drug pricing status of a drug. The measure further requires PBMs to eliminate discriminatory contracting as it relates to 340B drug pricing as well as make drug formulary and coverage decisions based on the normal course of business of the PBM. The measure also prohibits any manufacturer from discriminating against or withholding 340B drug pricing for a drug purchased by a 340B entity. Manufacturers may not prohibit a pharmacy from contracting or participating with a 340B entity.

Prepared by: Kalen Taylor