

**BILL SUMMARY**  
1<sup>st</sup> Session of the 60<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 789</b>
<b>Version:</b>	<b>HCS</b>
<b>Request Number:</b>	<b>13587</b>
<b>Author:</b>	<b>Stinson</b>
<b>Date:</b>	<b>4/24/2025</b>
<b>Impact:</b>	<b>Please see previous summary of this measure</b>

**Research Analysis**

The committee substitute for SB789 restores language that specifies that portions of the designated section will not apply to any audit initiated based on or that involves fraud, willful misrepresentation, or abuse. The cs also provides that any PBM that leases, rents, or otherwise makes its provider network or contracts available to another PBM must provide notice of each party involved, provide contract information, and transmit the network reimbursement identification information with each claim response. The cs also provides that any PBM that leases, rents, or otherwise makes its provider network of contracts available to another PBM must not combine any ERISA or government plans with any non-ERISA or nongovernment plans.

SB 789 provides that the entity conducting the audit of a pharmacy will permit a pharmacy to use drug purchase records without limitation of date or source to validate the dispensing of a prescription drug or a controlled dangerous substance, provided that it was done in accordance with the law. The measure adds a definition of effective rate contracting to statute. The PBM must ensure that reimbursement to pharmacies for each drug dispensed is no less than 106% of the National Average Drug Acquisition Cost plus a professional fee of \$15. If the drug does not have a published price, the reimbursement will be 110% of the wholesale acquisition cost plus the professional fee. Effective rate contracting is prohibited in all agreements between pharmacies and a PBM. Any PBM in violation of this will be subject to penalties. The provisions of this section will not be waived, voided, or nullified by contract.

Prepared By: Suzie Nahach, House Research Staff

**Fiscal Analysis**

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

**Other Considerations**

None.