

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2212 Session of 2018

INTRODUCED BY HEFFLEY, PICKETT, DAVIS, MCGINNIS, HENNESSEY, OBERLANDER, WARD, HAGGERTY, FLYNN, NEILSON, MENTZER, TOEPEL, CRUZ, DEASY, KAUFFMAN, J. McNEILL, DRISCOLL, GROVE, HILL-EVANS, SAYLOR, HICKERNELL, COX, KEEFER, DeLUCA, FARRY, PHILLIPS-HILL, ROTHMAN, HANNA, KLUNK, LONGIETTI, CHARLTON, BARRAR, PEIFER, QUIGLEY, MATZIE, KORTZ, HELM, MEHAFFIE, B. O'NEILL AND GREINER, JUNE 7, 2018

REFERRED TO COMMITTEE ON HEALTH, JUNE 7, 2018

AN ACT

1 Amending the act of June 13, 1967 (P.L.31, No.21), entitled "An  
2 act to consolidate, editorially revise, and codify the public  
3 welfare laws of the Commonwealth," in public assistance,  
4 providing for financial disclosures for pharmacy services.

5 The General Assembly of the Commonwealth of Pennsylvania  
6 hereby enacts as follows:

7 Section 1. The act of June 13, 1967 (P.L.31, No.21), known  
8 as the Human Services Code, is amended by adding a section to  
9 read:

10 Section 449.1. Financial Disclosures for Pharmacy  
11 Services.--(a) Any pharmacy benefits manager that contracts  
12 with a medical assistance managed care organization under  
13 contract with the department shall be prohibited from utilizing  
14 any confidentiality provisions which would in effect prohibit  
15 disclosure of information to the medical assistance managed care  
16 association and the department upon its request.

1 (b) Requests by the department may include the payment  
2 methodology for the pharmacy benefits manager which must include  
3 the actual amount paid by the pharmacy benefits manager to a  
4 pharmacy for dispensing an outpatient covered drug or medical  
5 supply item, including, at a minimum, the ingredient cost and  
6 dispensing fee and any other administrative fees.

7 (c) A medical assistance managed care organization that  
8 assigns financial responsibility for determining the dispensing  
9 pharmacy payment methodology, including the ingredient cost and  
10 dispensing fee, shall disclose to the department all financial  
11 terms and payment arrangements that apply between the medical  
12 assistance managed care organization and the pharmacy benefits  
13 manager annually and within ten days of any changes to the  
14 financial terms and payment arrangements. For the purposes of  
15 this act, a pharmacy benefits manager which contracts with a  
16 medical assistance managed care organization shall maintain  
17 records sufficient to provide information for pharmaceuticals  
18 dispensed and paid for by medical assistance to the department,  
19 including the information required under Chapter 7 of the act of  
20 November 21, 2016 (P.L.1318, No.169), known as the Pharmacy  
21 Audit Integrity and Transparency Act.

22 (d) The department shall promulgate regulations necessary to  
23 establish an appeals process for pharmacies to utilize for  
24 suspected violations of this section.

25 (e) As used in this section, the following words and phrases  
26 shall have the meanings given to them in this subsection unless  
27 the context clearly indicates otherwise:

28 "Pharmacy benefits manager." A person, business or other  
29 entity that performs pharmacy benefits management.

30 Section 2. This act shall take effect in 60 days.