

---

THE GENERAL ASSEMBLY OF PENNSYLVANIA

---

HOUSE BILL

No. 943 Session of  
2019

---

INTRODUCED BY GAYDOS, RAPP, BARRAR, BERNSTINE, BROWN, SCHLEGEL  
CULVER, DeLUCA, HERSHEY, KAUFFMAN, KEEFER, MILLARD,  
B. MILLER, MIZGORSKI, MOUL, MULLINS, PASHINSKI, PICKETT,  
PYLE, SAINATO, SCHWEYER, SIMS, STRUZZI, STURLA, TOEPEL,  
WHEELAND, LONGIETTI, GLEIM, KNOWLES, CIRESI, BURNS AND DEASY,  
APRIL 29, 2019

---

REFERRED TO COMMITTEE ON HEALTH, APRIL 29, 2019

---

AN ACT

1 Providing for consumer prescription drug pricing disclosure and  
2 pharmacy freedom to communicate.

3 The General Assembly of the Commonwealth of Pennsylvania  
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Consumer  
7 Prescription Drug Pricing and Freedom Disclosure Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall  
10 have the meanings given to them in this section unless the  
11 context clearly indicates otherwise:

12 "Contract." A contract administered by a pharmacy benefits  
13 manager.

14 "Covered entity." A contract holder or policy holder  
15 providing pharmacy benefits to a covered individual under a  
16 health insurance policy pursuant to a contract administered by a

1 pharmacy benefits manager.

2 "Covered individual." A member, participant, enrollee or  
3 beneficiary of a covered entity who is provided health coverage  
4 by the covered entity. The term includes a dependent or other  
5 person provided health coverage through the policy or contract  
6 of a covered individual.

7 "Health insurance policy." A policy, subscriber contract,  
8 certificate or plan that provides prescription drug coverage.  
9 The term includes both comprehensive and limited benefit health  
10 policies.

11 "Pharmacist." As defined in section 2(10) of the act of  
12 September 27, 1961 (P.L.1700, No.699), known as the Pharmacy  
13 Act.

14 "Pharmacy." As defined in section 2(12) of the Pharmacy Act.

15 "Pharmacy benefits management." Any of the following:

16 (1) Procurement of prescription drugs at a negotiated  
17 contracted rate for distribution within this Commonwealth to  
18 covered individuals.

19 (2) Administration or management of prescription drug  
20 benefits provided by a covered entity for the benefit of  
21 covered individuals.

22 (3) Administration of pharmacy benefits, including:

23 (i) Operating a mail-service pharmacy.

24 (ii) Claims processing.

25 (iii) Retail pharmacy network management.

26 (iv) Paying claims to pharmacies for prescription  
27 drugs dispensed to covered individuals via retail or  
28 mail-order pharmacy.

29 (v) Developing and managing a clinical formulary,  
30 utilization management and quality assurance programs.

- 1 (vi) Rebate contracting and administration.
- 2 (vii) Managing a patient compliance, therapeutic
- 3 intervention and generic substitution program.
- 4 (viii) Operating a disease management program.
- 5 (ix) Setting pharmacy reimbursement pricing and
- 6 methodologies, including maximum allowable cost, and
- 7 determining single or multiple source drugs.

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

10 Section 3. Disclosure of prescription drug costs.

11 (a) Information to covered individual.--A pharmacy or  
12 pharmacist shall have the right to provide a covered individual  
13 with information concerning the cost of a prescription drug,  
14 including the individual's cost share.

15 (b) No prohibition or penalization.--A pharmacy, pharmacist  
16 or contracting agent of a pharmacy or pharmacist may not be  
17 prohibited from or penalized by a pharmacy benefits manager for  
18 discussing the information under subsection (a), disclosing the  
19 availability of therapeutically equivalent alternative  
20 medications or selling to the covered individual a more  
21 affordable alternative if an affordable alternative is  
22 available.

23 Section 4. Disclosure of contract information.

24 (a) Disclosure authorized.--A pharmacy benefits manager  
25 shall not prohibit, restrict or limit written or oral disclosure  
26 of contract information by a pharmacist or pharmacy to any  
27 State, county or municipal official or before any State, county  
28 or municipal committee, body or proceeding.

29 (b) Penalty prohibited.--A pharmacy benefits manager shall  
30 not penalize or restrict a pharmacist or pharmacy for any

- 1 disclosure under subsection (a).
- 2 Section 5. Effective date.
- 3 This act shall take effect in 60 days.