

HOUSE FLOOR AMENDMENT

Second Reading

BY REPRESENTATIVE Bradley

1 Amend the Health and Human Services Committee Report, dated
2 February 19, 2025, page 2, strike lines 2 through 17 and substitute:

3 ""(4) (a) A CONTRACT BETWEEN A PBM AND A HEALTH BENEFIT
4 PLAN MUST:

5 (I) INCLUDE A PROVISION THAT REQUIRES A PBM TO DISCLOSE
6 PRESCRIPTION DRUG COST INFORMATION TO THE HEALTH BENEFIT PLAN
7 UPON SIXTY DAYS NOTIFICATION BY THE HEALTH BENEFIT PLAN TO THE
8 PBM OR AT REGULAR, NEGOTIATED REPORTING INTERVALS NECESSARY
9 FOR THE HEALTH BENEFIT PLAN TO DETERMINE IF THE PBM IS IN
10 COMPLIANCE WITH THE CONTRACT TERMS. THE REQUIRED DISCLOSURE OF
11 PRESCRIPTION DRUG COST INFORMATION DOES NOT INCLUDE PROPRIETARY
12 BUSINESS INFORMATION AND PROTECTED HEALTH INFORMATION.

13 (III) INCLUDE AN ANNUAL AUDIT RIGHT TO ALLOW THE HEALTH
14 BENEFIT PLAN TO AUDIT THE PBM FOR THE PURPOSE OF VALIDATING THE
15 PBM'S COMPLIANCE WITH CONTRACT TERMS CONCERNING PROGRAMS
16 THAT THE HEALTH BENEFIT PLAN OFFERS OR PROVIDES TO ITS ENROLLEES
17 FOR PRESCRIPTION DRUG BENEFITS ADMINISTERED BY THE PBM.

18 (b) UNLESS A CONTRACT BETWEEN A PBM AND A HEALTH BENEFIT
19 PLAN INCLUDES A PROVISION THAT STATES OTHERWISE, A PBM MAY
20 REQUIRE A NONDISCLOSURE AGREEMENT UNDER WHICH A HEALTH BENEFIT
21 PLAN AGREES THAT THE INFORMATION OBTAINED DURING AN AUDIT IS
22 PROPRIETARY INFORMATION AND IN WHICH A PBM IS NOT REQUIRED TO
23 PROVIDE INFORMATION OBTAINED DURING THE AUDIT UNTIL THE HEALTH
24 BENEFIT PLAN HAS EXECUTED THE NONDISCLOSURE AGREEMENT."."

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