HB 2840-1 (LC 2576) 3/20/19 (LHF/cpa/ps)

Requested by Representative NOBLE

PROPOSED AMENDMENTS TO HOUSE BILL 2840

- In line 2 of the printed bill, delete the period and insert "; creating new provisions; and amending ORS 735.533."
- 3 Delete lines 6 through 24 and insert:
- "SECTION 2. (1) A pharmacy benefit manager registered under ORS
 735.532 may not:
- 6 "(a) Require an insured to fill or refill prescriptions using a mail-7 order service.
- "(b) Prohibit a pharmacist or pharmacy from providing to a patient information regarding the patient's cost share for a prescription drug and, if available, the clinical efficacy of a lower cost alternative drug.
- "(c) Prohibit a pharmacist or pharmacy from selling an insured a lower cost alternative drug.
- "(d) Prohibit a pharmacist or pharmacy from offering or providing
 delivery as an ancillary service.
- "(e) Charge or collect from an insured a copayment for a drug in an amount that exceeds the reimbursement the pharmacy benefit manager pays to the pharmacist or pharmacy for the drug.
- 18 "(f) Hold a pharmacist or pharmacy responsible for a fee for the 19 adjudication of a claim for reimbursement.
- 20 "(g) Recoup from a pharmacist or pharmacy costs associated with 21 claims for which the pharmacist or pharmacy has already been paid,

1 unless otherwise required by law.

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- "(h) Penalize a pharmacist or pharmacy or retaliate against a pharmacist or pharmacy for providing information described in paragraph (b) of this subsection, selling a lower cost alternative drug or offering or providing delivery as described in paragraph (d) of this subsection.
 - "(2) The Department of Consumer and Business Services may adopt rules necessary to enforce this section.
 - **"SECTION 3.** ORS 735.533 is amended to read:
- "735.533. (1) In accordance with ORS chapter 183, the Department of
 Consumer and Business Services may deny an application for registration
 as a pharmacy benefit manager or an application for renewal of a registration as a pharmacy benefit manager, and may suspend or revoke a registration as a pharmacy benefit manager, if the department finds that an
 applicant or registrant:
 - "(a) Falsified an application for registration or for the renewal of a registration or engaged in any dishonest act in relation to the application;
 - "(b) Engaged in dishonesty, fraud or gross negligence in the conduct of business as a pharmacy benefit manager;
- "(c) Engaged in conduct that resulted in a conviction of a felony under the laws of any state or of the United States, to the extent that such conduct may be considered under ORS 670.280;
 - "(d) Was convicted under the laws of any state or of the United States of any crime of which an essential element is dishonesty or fraud;
 - "(e) Had a certificate of authority or authority to conduct business as a pharmacy benefit manager denied, revoked or suspended in another state;
- "(f) Failed to pay a civil penalty imposed by final order of the department or to comply with the terms of suspension set by the department;
- "(g) Failed to meet the terms of a consent decree approved by a court of competent jurisdiction in this state, or a consent order made between the

department and the pharmacy benefit manager; 1

examination by the department; [or]

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"(h) Refused to be examined or to produce accounts, records or files for 2 examination, including the refusal by any officer of the applicant or registrant to give information with respect to the affairs of the pharmacy benefit 4 manager, or refused to perform any other legal obligation with respect to an

"(i) Violated section 2 of this 2019 Act; or

- "[(i)] (j) Violated any rule or order of the department or any provision of the Insurance Code.
- "(2) The department may prescribe by rule a procedure by which a pharmacy or an entity acting on behalf of a pharmacy may file a complaint with the department alleging that a pharmacy benefit manager has engaged in conduct described in this section. The department may restrict the right of a pharmacy or entity to file a complaint only to the extent necessary to prevent abuse of the complaint process.".

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