

SENATE, No. 1046

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED JANUARY 30, 2020

Sponsored by:

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Regulates certain practices of pharmacy benefits managers related to specialty drugs; requires disclosure of payment information related to prescription drugs.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning pharmacy benefits managers and
2 supplementing P.L.2015, c.179 (C.17B:27F-1 et seq.).
3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:
6

7 1. a. A pharmacy benefits manager shall not require a
8 pharmacy to purchase a specialty drug directly from the pharmacy
9 benefits manager as a condition for participating in a pharmacy
10 benefits manager's network contract or for any other reason.

11 b. For the purposes of this section, "specialty drug" means a
12 prescription drug that:

13 (1) is prescribed for an individual with a complex, chronic, or
14 rare medical condition;

15 (2) is available only from limited pharmacies;

16 (3) requires a difficult or unusual process of delivery to the
17 patient in the preparation, handling, storage, inventory, or
18 distribution of the drug; and

19 (4) requires enhanced patient education, management, or support,
20 beyond those required for traditional dispensing.
21

22 2. a. A pharmacy benefits manager shall disclose to the
23 Commissioner of Banking and Insurance, on a quarterly basis, for
24 each prescription drug provided by the pharmacy benefits manager
25 as part of the pharmacy benefits management services provided to
26 purchasers of health benefits plans:

27 (1) the aggregate amounts paid by the pharmacy benefits
28 manager to drug wholesalers or drug manufacturers for obtaining
29 that drug;

30 (2) the aggregate amounts charged by the pharmacy benefits
31 manager to purchasers for providing that drug to pharmacies; and

32 (3) the aggregate amounts paid by the pharmacy benefits
33 manager to pharmacies for dispensing that drug.

34 b. The disclosures made pursuant to subsection a. of this
35 section shall be made in a manner and format to be prescribed by
36 the commissioner.

37 c. The commissioner shall make publicly available on the
38 department's website, on at least an annual basis, a summary for
39 each pharmacy benefits manager of the information disclosed
40 pursuant to subsection a. of this section. The summary shall
41 include, for each drug, the differences between the aggregate
42 amounts paid or charged by the pharmacy benefits manager
43 pursuant to paragraphs (1), (2), and (3) of subsection a. of this
44 section.
45

46 3. This act shall take effect on the 90th day next following
47 enactment.

STATEMENT

This bill prohibits a pharmacy benefits manager from requiring a pharmacy to purchase a specialty drug, as defined in the bill, directly from the pharmacy benefits manager as a condition for participating in a pharmacy benefits manager's network contract or for any other reason.

The bill also requires pharmacy benefits managers to disclose to the Commissioner of Banking and Insurance, on a quarterly basis, for each prescription drug provided by the pharmacy benefits manager as part of the pharmacy benefits management services provided to purchasers of health benefits plans:

(1) the aggregate amounts paid by the pharmacy benefits manager to drug wholesalers or drug manufacturers for obtaining that drug;

(2) the aggregate amounts charged by the pharmacy benefits manager to purchasers for providing that drug to pharmacies; and

(3) the aggregate amounts paid by the pharmacy benefits manager to pharmacies for dispensing that drug.

The disclosures shall be made in a manner and format to be prescribed by the commissioner.

The bill also requires the commissioner to make publicly available on the department's website, on at least an annual basis, a summary for each pharmacy benefits manager of the information disclosed, including, for each drug, the differences between the aggregate amounts paid or charged by the pharmacy benefits manager.