

SENATE, No. 2212

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Senator VIN GOPAL

District 11 (Monmouth)

Senator LINDA R. GREENSTEIN

District 14 (Mercer and Middlesex)

SYNOPSIS

“Prescription Drug Consumer Transparency Act.”

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/16/2020)

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. This act shall be known as the “Prescription Drug Consumer
8 Transparency Act.”
9

10 2. A pharmacy benefits manager shall disclose in the contract
11 between the pharmacy benefits manager and the purchaser each of
12 the following:

13 a. The basis of the methodology and sources utilized to
14 establish multiple source generic pricing. Applicable lists shall be
15 updated and provided to the purchaser whenever there is a change;

16 b. If a pharmacy benefits manager utilizes a multiple source
17 generic list for drugs dispensed at retail, but does not utilize a
18 similar list for drugs dispensed by mail. This practice shall be
19 disclosed to the purchaser in writing either in the contract or no
20 later than 21 business days from the implementation of the practice;
21 and

22 c. Whether or not the pharmacy benefits manager is using the
23 identical multiple source generic drug list with respect to billing the
24 purchaser as it does when reimbursing all network pharmacies. If
25 multiple source generic drug lists are used, the pharmacy benefits
26 manager shall disclose any difference between the amount paid to
27 any pharmacy and the amount charged to the purchaser.
28

29 3. A pharmacy benefits manager shall provide a toll-free
30 telephone number through which a contracted pharmacy or a
31 consumer may contact the pharmacy benefits manager and speak
32 with a New Jersey-licensed pharmacist to resolve issues pertaining
33 to benefits coverage, drug pricing and prescription drug safety.
34 Callers shall not be placed on hold for longer than five minutes.
35 The pharmacy benefits manager shall resolve concerns within 24
36 hours of receiving the inquiry.
37

38 4. This act shall take effect on the 90th day next following
39 enactment and shall apply to all contracts or agreements for
40 pharmacy benefits management services that are executed or
41 renewed on or after the effective date.
42

43
44 STATEMENT
45

46 This bill supplements P.L.2015, c.179 (C.17B:27F-1 et seq.) by
47 requiring pharmacy benefits managers (PBMs) to disclose certain
48 information about prescription drug pricing and generic

1 substitutions to benefit plan purchasers. The bill also requires
2 PBMs to establish a toll-free telephone number through which
3 consumers and pharmacists can quickly obtain information
4 regarding coverage, pricing and prescription drug safety.

5 With respect to purchasers of pharmacy benefits management
6 services, this bill requires PBMs to disclose, in the contract entered
7 into between the purchaser and the PBM, the methodology and
8 sources utilized to determine multiple source generic drug pricing.
9 That pricing information shall be updated whenever a change
10 occurs and must be provided to the purchaser. If a PBM uses a
11 multiple source generic list for drugs dispensed at retail, but not for
12 drugs dispensed by mail, this must be disclosed in the contract as
13 well, or within 21 business days from the implementation of the
14 practice. In addition, the bill requires PBMs to disclose to
15 purchasers whether the multiple source generic pricing list used to
16 bill the purchaser is the same as the list used to reimburse
17 pharmacies. If the lists are not the same, the difference between the
18 amount paid to the pharmacy and the amount charged to the
19 purchaser shall be disclosed.

20 This bill also requires PBMs to provide a toll-free telephone
21 number for consumers and contracted pharmacies to speak with a
22 New Jersey-licensed pharmacist concerning benefits coverage, drug
23 pricing and prescription drug safety. Callers may not be placed on
24 hold for longer than five minutes, and concerns must be resolved
25 within 24 hours.