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:

4 "<u>SECTION 2.</u> (1) A pharmacy benefit manager registered under ORS
5 735.532 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.

"(f) Hold a pharmacist or pharmacy responsible for a fee for the
 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.

2 "(h) Penalize a pharmacist or pharmacy or retaliate against a 3 pharmacist or pharmacy for providing information described in para-4 graph (b) of this subsection, selling a lower cost alternative drug or 5 offering or providing delivery as described in paragraph (d) of this 6 subsection.

"(2) The Department of Consumer and Business Services may adopt
rules necessary to enforce this section.

9 "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 reg istration or engaged in any dishonest act in relation to the application;

"(b) Engaged in dishonesty, fraud or gross negligence in the conduct ofbusiness 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 1 department and the pharmacy benefit manager;

2 "(h) Refused to be examined or to produce accounts, records or files for 3 examination, including the refusal by any officer of the applicant or regis-4 trant to give information with respect to the affairs of the pharmacy benefit 5 manager, or refused to perform any other legal obligation with respect to an 6 examination by the department; [or]

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

8 "[(i)] (j) Violated any rule or order of the department or any provision
9 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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