

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL 384
Health Care Committee Substitute Adopted 4/20/17
PROPOSED COMMITTEE SUBSTITUTE S384-PCS45419-TY-13

Short Title: The Pharmacy Patient Fair Practices Act.

(Public)

Sponsors:

Referred to:

March 27, 2017

1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO THE REGULATION OF PHARMACY BENEFIT MANAGERS.
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 58-56A-1 reads as rewritten:

5 "**§ 58-56A-1. Definitions.**

6 The following definitions apply in this Article:

7 (1) Health benefit plan. – As defined in G.S. 58-50-110(11). This definition
8 specifically excludes the State Health Plan for Teachers and State
9 Employees.

10 (2) Insured. – An individual covered by a health benefit plan.

11 ~~(2)~~(3) Insurer. – Any entity that provides or offers a health benefit plan.

12 ~~(3)~~(4) Maximum allowable cost price. – The maximum per unit reimbursement for
13 multiple source prescription drugs, medical products, or devices.

14 (5) Pharmacist. – A person licensed to practice pharmacy under Article 4A of
15 Chapter 90 of the General Statutes.

16 ~~(4)~~(6) Pharmacy. – A pharmacy registered with the North Carolina Board of
17 Pharmacy.

18 ~~(5)~~(7) Pharmacy benefits manager. – An entity who contracts with a pharmacy on
19 behalf of an insurer or third-party administrator to administer or manage
20 prescription drug benefits.

21 ~~(6)~~(8) Third-party administrator. – As defined in G.S. 58-56-2."

22 **SECTION 2.** Article 56A of Chapter 58 of the General Statutes is amended by
23 adding two new sections to read:

24 "**§ 58-56A-3. Consumer protections.**

25 (a) A pharmacy or pharmacist shall have the right to provide an insured information
26 regarding the amount of the insured's cost share for a prescription drug. Neither a pharmacy nor
27 a pharmacist shall be penalized by a pharmacy benefits manager for discussing any information
28 described in this section or for selling a lower-priced drug to the insured if one is available.

29 (b) A pharmacy benefits manager shall not, through contract, prohibit a pharmacy from
30 offering and providing direct and limited delivery services to an insured as an ancillary service
31 of the pharmacy, as delineated in the contract between the pharmacy benefits manager and the
32 pharmacy.

33 (c) A pharmacy benefits manager shall not charge, or attempt to collect from, an
34 insured a co-payment that exceeds the total submitted charges by the network pharmacy.



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1 (d) Any contract for the provision of a network to deliver health care services between a
2 pharmacy benefits manager and insurer shall be made available for review by the Department.

3 (e) The Department shall report to the Attorney General any violations of
4 G.S. 58-56A-3 or G.S. 58-56A-4 in accordance with G.S. 58-2-40(5).

5 "**§ 58-56A-4. Pharmacy and pharmacist protections.**

6 A pharmacy benefits manager may only charge a fee or otherwise hold a pharmacy
7 responsible for a fee relating to the adjudication of a claim if the fee is reported on the
8 remittance advice of the adjudicated claim or is set out in contract between the pharmacy
9 benefits manager and the pharmacy. This section shall not apply with respect to claims under
10 an employee benefit plan under the Employee Retirement Income Security Act of 1974 or
11 Medicare Part D."

12 **SECTION 3.** The Commissioner of Insurance may adopt rules to implement this
13 act.

14 **SECTION 4.** This act becomes effective October 1, 2017, and applies to all
15 contracts entered into, renewed, or amended on or after that date.