HOUSE COMMITTEE AMENDMENTS

2024 Regular Session

Amendments proposed by House Committee on Appropriations to Original House Bill No. 172 by Representative Echols

1 AMENDMENT NO. 1

On page 1, line 5, after "Benefits contractors" and before "to provide" insert a semicolon ";"
and delete "and subcontractors;"

4 AMENDMENT NO. 2

5 On page 1, at the end of line 17, after "<u>office to</u>" delete the remainder of the line in its 6 entirety and delete lines 18 and 19 in their entirety and insert "<u>adjust or settle claims in</u> 7 connection with health coverage offered by"

8 AMENDMENT NO. 3

9 On page 2, line 4, after "<u>means any</u>" and before "<u>contracted</u>" delete "<u>person or business</u>" and 10 insert "<u>entity</u>"

11 AMENDMENT NO. 4

- 12 On page 2, delete lines 7 through 16 in their entirety and insert the following:
- 13 "(3) "Administrative fee" means the sole compensation the administrator or 14 pharmacy benefit manager receives under the contract. The administrative fee should include all services related to the contract including but not limited to 15 16 appeals, clinical programs, and other communications, eligibility maintenance, 17 explanation of benefits, formulary customizations, member grievances and call 18 centers, on-site audits and surveys, prior authorizations and step therapy, trend 19 management and benchmark reporting and transaction fees. Administrative fees do 20 not include pass-through claims.
- (4) "Revenues" means all financial benefits an administrator or pharmacy
 benefit manager receives related to utilization or enrollment in programs offered by
 the office. These include but are not limited to access fees, market share fees,
 formulary access fees, inflation protection/penalty payments, and marketing grants
 from pharmaceutical manufacturers, wholesalers and data warehouse vendors.
 "Revenues" also means any financial benefit received by an administrator or
 pharmacy benefit manager attached to a rebate."

28 AMENDMENT NO. 5

On page 2, at the end of line 19, delete "and" and delete lines 20 through 22 in their entirety
and insert the following: "shall file a report with the office detailing any known revenues
outside the administration fee related to their current contract with the office for"

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- 32 AMENDMENT NO. 6
- On page 2, line 24, after "each" and before "pharmacy" delete "administrator," and insert
 "administrator and"
- 35 <u>AMENDMENT NO. 7</u>
- 36 On page 2, delete line 25 in its entirety and at the beginning of line 26, delete "<u>manager</u>" and
- 37 insert "<u>benefit manager</u>"

- 1 AMENDMENT NO. 8
- 2 On page 3, delete lines 1 and 2 in their entirety
- 3 AMENDMENT NO. 9
- 4 On page 3, line 17, after "<u>office all</u>" delete the remainder of the line in its entirety and delete
- 5 lines 18 through 21 in their entirety and insert "revenues that are directly attributable to its
- 6 contract with the office, notwithstanding the administrative fee, that were collected in the
- 7 calendar year covered by the report."
- 8 AMENDMENT NO. 10
- 9 On page 3, line 24, after "<u>the office</u>" delete the remainder of the line in its entirety and delete
- 10 lines 25 and 26 in their entirety and insert "notwithstanding the administrative fee."
- 11 AMENDMENT NO. 11
- 12 On page 4, line 5, after "<u>managers</u>" and before the period "<u>"</u> insert "<u>which revenues are</u> 13 <u>directly attributable to the pharmacy benefit manager's contract with the office</u>"
- 14 AMENDMENT NO. 12
- 15 On page 4, line 7 after "<u>office all</u>" delete the remainder of the line in its entirety and delete
- 16 lines 8 through 11 in their entirety and insert "revenues that are directly attributable to its
- 17 <u>contract with the office, notwithstanding the administrative fee, that were collected by the</u>
- 18 pharmacy benefit manager in the calendar year covered by the report."
- 19AMENDMENT NO. 13
- On page 4, delete line 13 in its entirety and insert "<u>42:814(A)(2)</u>, the pharmacy benefit
 <u>manager shall remit to the office revenues disclosed</u>"
- 22 AMENDMENT NO. 14
- On page 4, at the end of line 14, after "<u>the office</u>" insert a comma "," and delete the remainder of the line in its entirety delete lines 15 and 16 in their entirety and insert "notwithstanding the administrative fee."
- 26 AMENDMENT NO. 15
- On page 4, delete lines 19 through 21 in their entirety and insert: "<u>faith and fair dealing to</u>
 the office. Failure to file a report required by this"
- 29 <u>AMENDMENT NO. 16</u>
- 30 On page 4, at the end of line 25, delete "<u>office</u>"
- 31 AMENDMENT NO. 17
- 32 On page 4, delete line 27 in its entirety and on page 5, delete lines 1 through 5 in their
- entirety and insert: "exceed two times the party's revenues received for the calendar year for
 which the party failed to disclose with the office."