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**HOUSE BILL NO. 1292**

Offered January 8, 2020

Prefiled January 8, 2020

*A BILL to amend the Code of Virginia by adding a section numbered 38.2-3407.15:5, relating to health insurance; carrier contracts with pharmacy benefits managers; spread pricing.*

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Patron—Hodges

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Referred to Committee on Labor and Commerce

**Be it enacted by the General Assembly of Virginia:**

- 1. That the Code of Virginia is amended by adding a section numbered 38.2-3407.15:5 as follows:**  
**§ 38.2-3407.15:5. Carrier contracts with pharmacy benefits managers; required provisions.**

*A. As used in this section:*

*"Carrier" has the same meaning ascribed to it in subsection A of § 38.2-3407.15.*

*"Health benefit plan" has the same meaning ascribed to it in § 38.2-3438.*

*"Pharmacy benefits management" means the administration or management of prescription drug benefits provided by a carrier for the benefit of covered individuals.*

*"Pharmacy benefits manager" means a person that performs pharmacy benefits management.*

*"Spread pricing" means the model of prescription drug pricing in which the pharmacy benefits manager charges a health benefit plan a contracted price for prescription drugs and the contracted price for the prescription drugs differs from the amount the pharmacy benefits manager directly or indirectly pays the pharmacist or pharmacy for pharmacist services.*

*B. No carrier shall enter into, amend, renew, or extend a contract with a pharmacy benefits manager unless such contract contains provisions prohibiting the pharmacy benefits manager or his representative from conducting spread pricing with regard to the carrier's health benefit plans.*

*C. The provisions of this section shall apply to any contract between a carrier and a pharmacy benefits manager entered into, amended, renewed, or extended on and after January 1, 2021.*

INTRODUCED

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