

State Corporation Commission

2015 Fiscal Impact Statement

1. **Bill Number:** HB2031

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

2. **Patron:** Yost

3. **Committee:** Commerce and Labor

4. **Title:** Health insurance; updating maximum allowable cost pricing lists.

5. **Summary:** Health insurance; updating maximum allowable cost pricing lists. Requires any pharmacy benefits contract or provider contract entered into, amended, extended, or renewed on or after January 1, 2016, that provides for the use of maximum allowable cost as the basis for the amount of any reimbursement or payment of claims to a pharmacist or other person, to contain specific provisions that require the health carrier and pharmacy benefits administrator to update, not less frequently than once every seven days, any maximum allowable cost pricing list that is required or permitted to be used in connection with the pharmacy benefits contract or provider contract. A copy of each updated maximum allowable cost pricing list shall be provided to applicable pharmacists in advance of its use in connection with any reimbursement or payment of claims. The legislation establishes private rights of action for providers who suffer actual damages resulting from carrier violations of the bill's provisions. Providers are entitled to recover treble damages for any willful violations. The State Corporation Commission is given oversight concerning the bill's provisions.

6. **Budget amendment necessary:** No

7. **Fiscal Impact Estimates:** No fiscal impact on the State Corporation Commission

8. **Fiscal implications:** None on the State Corporation Commission

9. **Specific agency or political subdivisions affected:** State Corporation Commission and the Commission's Bureau of Insurance

10. **Technical amendment necessary:** The State Corporation Commission Bureau of Insurance comments advised the patron of House Bill 2031 that the Commission does not generally adjudicate individual controversies which arise out of provisions of contracts between insurance carriers and providers. On Line 60, therefore, after the word "Commission" staff recommended inserting "shall have no authority to".

11. **Other comments:** House Bill 2031 has been assigned to House Commerce and Labor Subcommittee #2.

Date: 01/28/15/V. Tompkins

cc: Secretary of Commerce and Trade
Secretary of Health and Human Resources