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**HOUSE BILL NO. 1659**

Offered January 17, 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; pharmacy reimbursement.*

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Patron—Head

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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 thereto in subsection A of § 38.2-3407.15.**"Covered individual" means an individual receiving prescription medication coverage or reimbursement provided by a pharmacy benefits manager or a carrier under a health benefit plan.**"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.**"Pharmacy benefits manager affiliate" means a pharmacy or pharmacist that directly or indirectly, through one or more intermediaries, owns or controls, is owned or controlled by, or is under common ownership or control with a pharmacy benefits manager.***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 a representative of the pharmacy benefits manager from reimbursing a pharmacy or pharmacist an amount less than the amount that the pharmacy benefits manager reimburses a pharmacy benefits manager affiliate for providing the same pharmacist services, calculated on a per-unit basis using the same product identifier or code number and reflecting all drug manufacturer's rebates, direct and indirect administrative fees, and costs and any remuneration.****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 July 1, 2021.**

INTRODUCED

HB1659