

# State Corporation Commission

## 2020 Fiscal Impact Statement

**1. Bill Number:** HB1292

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:**    Hodges

**3. Committee:** Labor and Commerce

**4. Title:**    Health insurance; carrier contracts with pharmacy benefits managers.

**5. Summary:** Prohibits a health insurance carrier from entering into, amending, renewing, or extending 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. The bill defines "spread pricing" as the model of prescription drug pricing in which the pharmacy benefits manager charges a carrier 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.

**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  
Bureau of Insurance

**10. Technical Amendment Necessary:** No

**11. Other Comments:** There are several bills dealing with pharmacy benefit managers, including House Bill 1290, House Bill 1291, House Bill 1459, House Bill 1479, Senate Bill 251, Senate Bill 252 and Senate Bill 862. House Bill 1292 is assigned to Subcommittee #2 of the Labor and Commerce Committee.

**Date:** 1/22/20/V.Tompkins