

## National Academy of State Health Policy

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**Sent:** Friday, March 30, 2018 6:20 AM  
**To:** Seth Whitten <[Seth.Whitten@akleg.gov](mailto:Seth.Whitten@akleg.gov)>  
**Cc:** Jennifer Reck <[JReck@nashp.org](mailto:JReck@nashp.org)>  
**Subject:** PBM legislation analysis

Hello Seth:

You asked me to look at HB 240, legislation that would regulate some of the business practices of Pharmacy Benefit Managers (PBMs).

In my review of the [NASHP.org](http://NASHP.org) legislation tracker, it appears that as of last week, there were almost 80 bills proposed in state legislatures across the country to regulate PBM business practices.

HB 240 would establish PBM protocols and requirements for audits of network pharmacies. The provisions are consistent with many bills across the country  
HB 240 would establish PBM requirements for setting pharmacy drug reimbursement rates, including appeals. The provisions are consistent with many bills across the country.

The following provisions are found in other PBM business practice regulation bills that are not found in HB 240:

- Standards for PBM marketing practices
- Requirements for PBM disclosure to clients of all drug rebates received from drug manufacturers, whether or not those rebates are passed along to clients
- Limitations on what consumers may be charged for drugs to no more than the PBM will reimburse the pharmacy for the drug
- Prohibiting PBM 'gag clauses' in network pharmacy contracts
- Requiring PBMs to include, in-network, any willing provider
- Limiting PBM ability to financially penalize consumers who do not use PBM pharmacies or mail order businesses.

Please feel free to contact me if you have any questions.

Kind Regards,  
Jane Horvath

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