



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB3187

by Rep. Deanne M. Mazzochi

SYNOPSIS AS INTRODUCED:

215 ILCS 5/Art. XXXIIB heading new
215 ILCS 5/521.1 new

Amends the Illinois Insurance Code. Creates the Pharmacy Benefit Managers Article. Provides that upon request by a party contracting with a pharmacy benefit manager, a pharmacy benefit manager shall disclose any rebate amounts provided to the pharmacy benefit manager by a pharmaceutical manufacturer. Provides that upon request by a party contracting with a pharmacy benefit manager, a pharmacy benefit manager shall disclose the actual amounts paid by the pharmacy benefit manager to the pharmacy. Provides that a pharmacy benefit manager shall provide notice to the party contracting with the pharmacy benefit manager of any consideration that the pharmacy benefit manager receives from the manufacturer for dispense as written prescriptions once a generic or biologically similar product becomes available. Provides that any provision of a contract entered into, amended, or renewed on or after the effective date of the amendatory Act that is contrary is unenforceable.

LRB101 10860 RAB 56000 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Insurance Code is amended by adding
5 Article XXXIIB as follows:

6 (215 ILCS 5/Art. XXXIIB heading new)

7 ARTICLE XXXIIB. PHARMACY BENEFIT MANAGERS

8 (215 ILCS 5/521.1 new)

9 Sec. 521.1. Pharmacy benefit managers.

10 (a) As used in this Section, "pharmacy benefit manager"
11 means a person, business, or other entity that, pursuant to a
12 contract or under an employment relationship with a plan
13 sponsor, insurer, or other third-party payer, either directly
14 or through an intermediary, manages the prescription drug
15 coverage provided by the plan sponsor, insurer, or third-party
16 payer, including, but not limited to, the processing and
17 payment claims for prescription drugs, the performance of drug
18 utilization review, the processing of drug prior authorization
19 requests, the adjudication of appeals or grievances related to
20 prescription drug coverage, contracting with network
21 pharmacies, and controlling the cost of covered prescription
22 drugs.

1 "Biological product" has the same meaning given to that
2 term in Section 19.5 of the Pharmacy Practice Act.

3 (b) Upon request by a party contracting with a pharmacy
4 benefit manager, the party has an annual right to audit
5 compliance with the terms of the contract by the pharmacy
6 benefit manager, including, but not limited to, full disclosure
7 of any and all rebate amounts secured, whether product specific
8 or generalized rebates, that were provided to the pharmacy
9 benefit manager by a pharmaceutical manufacturer.

10 (c) Upon request by a party contracting with a pharmacy
11 benefit manager, a pharmacy benefit manager shall disclose the
12 actual amounts paid by the pharmacy benefit manager to the
13 pharmacy.

14 (d) A pharmacy benefit manager shall provide notice to the
15 party contracting with the pharmacy benefit manager of any
16 consideration that the pharmacy benefit manager receives from
17 the manufacturer for dispense as written prescriptions once a
18 generic or biologically similar product becomes available.

19 (e) Any provision of a contract entered into, amended, or
20 renewed on or after the effective date of this amendatory Act
21 of the 101st General Assembly that is contrary to this Section
22 is unenforceable.