

# SB3117



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB3117

Introduced 2/6/2020, by Sen. Andy Manar

#### SYNOPSIS AS INTRODUCED:

215 ILCS 5/513b7 new

Amends the Illinois Insurance Code. Provides that a pharmacy benefit manager has a fiduciary duty to a third party with which the pharmacy benefit manager has entered into a contract to manage the pharmacy benefit plan of the third party and shall notify the third party in writing of an activity, policy, or practice of the pharmacy benefit manager that presents a conflict of interest that interferes with the ability of the pharmacy benefit manager to discharge its fiduciary duty. Allows the Director of Insurance to refuse to issue, suspend, or revoke a license or impose a fine if it is found that a pharmacy benefit manager has failed to adequately discharge its fiduciary duty to a third party. Effective immediately.

LRB101 18312 BMS 67758 b

A BILL FOR

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 Section 513b7 as follows:

6 (215 ILCS 5/513b7 new)

7 Sec. 513b7. Pharmacy benefit manager fiduciary duty. A  
8 pharmacy benefit manager has a fiduciary duty to a third party  
9 with which the pharmacy benefit manager has entered into a  
10 contract to manage the pharmacy benefit plan of the third party  
11 and shall notify the third party in writing of an activity,  
12 policy, or practice of the pharmacy benefit manager that  
13 presents a conflict of interest that interferes with the  
14 ability of the pharmacy benefit manager to discharge that  
15 fiduciary duty. The Director may refuse to issue, suspend, or  
16 revoke a license or impose a fine pursuant to Section 513b4 if  
17 it is found that the pharmacy benefit manager has failed to  
18 adequately discharge the fiduciary duty imposed upon it by this  
19 Section.

20 Section 99. Effective date. This Act takes effect upon  
21 becoming law.