FIRST REGULAR SESSION

SENATE BILL NO. 13

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BROWN (16).

0983S.01I KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 376, RSMo, by adding thereto three new sections relating to insurance coverage of pharmacy services.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 376, RSMo, is amended by adding thereto three new sections, to be known as sections 376.411, 376.415, and 376.416, to read as follows:

376.411. 1. For purposes of this section, the following terms mean:

(1) "Clinician-administered drug", any legend drug, as defined in section 338.330, that is administered by a health care provider who is authorized to administer the drug;

(2) "Health carrier", the same meaning given to the term in section 376.1350;

(3) "Participating provider", the same meaning given to the term in section 376.1350;

(4) "Pharmacy benefits manager", the same meaning given to the term in section 376.388.

2. A health carrier, a pharmacy benefits manager, or an agent or affiliate of such health carrier or pharmacy benefits manager shall not:

(1) Impose any penalty, impediment, differentiation, or limitation on a participating provider for providing medically necessary clinician-administered drugs regardless of whether the participating provider obtains such drugs

from a provider that is in the network including, but not limited to, refusing to approve or pay or reimbursing less than the contracted payment amount;

(2) Impose any penalty, impediment, differentiation, or limitation on a covered person who is administered medically necessary clinician-administered drugs regardless of whether the participating provider obtains such drugs from a provider that is in the network including, but not limited to, limiting coverage or benefits; requiring an additional fee, higher co-payment, or higher coinsurance amount; or interfering with a patient's ability to obtain a clinician-administered drug from the patient's provider or pharmacy of choice by any means including, but not limited to, inducing, steering, or offering financial or other incentives; or

(3) Impose any penalty, impediment, differentiation, or limitation on any pharmacy, including any class B hospital pharmacy as defined in section 338.220, that is dispensing medically necessary clinician-administered drugs regardless of whether the participating provider obtains such drugs from a provider that is in the network including, but not limited to, requiring a pharmacy to dispense such drugs to a patient with the intention that the patient will transport the medication to a health care provider for administration.

3. The provisions of this section shall not apply if the clinician-administered drug is not otherwise covered by the health carrier or pharmacy benefits manager.

376.415. 1. For purposes of this section, the following terms mean:

(1) "Biological product", the same meaning given to the term in 42 U.S.C. Section 262(i);

(2) "Biosimilar", the same meaning given to the term in 42 U.S.C. Section 262(i);

(3) "Health carrier", the same meaning given to the term in section 376.1350;

(4) "Pharmacy benefits manager", the same meaning given to the term in section 376.388;

(5) "Reference product", the same meaning given to the term in 42 U.S.C. Section 262(i).

2. A health carrier, a pharmacy benefits manager, or an agent or affiliate of such health carrier or pharmacy benefits manager that provides coverage for a reference product or a biological product that is biosimilar to the reference product shall provide coverage for the reference product and all biological products that have been deemed biosimilar to the reference product. The scope, extent, and amount of such required coverage shall be the same including, but not limited to, any payment limitations or cost-sharing obligations.

376.416. 1. For purposes of this section, the following terms mean:

(1) "340B drug", the same meaning given to the term in section 376.414;

(2) "Covered entity", the same meaning given to the term in section 376.414;

(3) "Health carrier", the same meaning given to the term in section 376.1350;

(4) "Pharmacy", an entity licensed under chapter 338;

(5) "Pharmacy benefits manager", the same meaning given to the term in section 376.388;

2. A health carrier, a pharmacy benefits manager, or an agent or affiliate of such health carrier or pharmacy benefits manager shall not discriminate against a covered

entity or a pharmacy including, but not limited to, by doing any of the following:

(1) Reimbursing a covered entity or pharmacy for a quantity of a 340B drug in an amount less than it would pay to any other similarly situated pharmacy that is not a covered entity or a pharmacy for such quantity of such drug on the basis that the entity or pharmacy is a covered entity or pharmacy or that the entity or pharmacy dispenses 340B drugs;

(2) Imposing any terms or conditions on covered entities or pharmacies that differ from such terms or conditions applied to other similarly situated pharmacies or entities that are not covered entities on the basis that the entity or pharmacy is a covered entity or pharmacy or that the entity or pharmacy dispenses 340B drugs including, but not limited to, terms or conditions with respect to any of the following:

(a) Fees, chargebacks, clawbacks, adjustments, or other assessments;

(b) Professional dispensing fees;

(c) Restrictions or requirements regarding participation in standard or preferred pharmacy networks;

(d) Requirements relating to the frequency or scope of audits or to inventory management systems using generally accepted accounting principles; and

(e) Any other restrictions, conditions, practices, or policies that, as specified by the director of the department of commerce and insurance, interfere with the ability of a covered entity to maximize the value of discounts provided under 42 U.S.C. Section 256b;

(3) Interfering with an individual's choice to receive a 340B drug from a covered entity or pharmacy, whether in

person or via direct delivery, mail, or other form of shipment, by any means including, but not limited to, modifying a patient's payment limitations or cost-sharing obligations on the basis of participation, in whole or in part, in the 340B drug pricing program;

(4) Discriminating in reimbursement to a covered entity or pharmacy based on the determination or indication a drug is a 340B drug;

(5) Requiring a covered entity or pharmacy to identify, either directly or through a third party, a 340B drug sooner than forty-five days after the point of sale of the 340B drug;

(6) Refusing to contract with a covered entity or pharmacy for reasons other than those that apply equally to entities that are not covered entities or similarly situated pharmacies, or on the basis that:

(a) The entity is a covered entity; or

(b) The entity or pharmacy is described in any of subparagraphs (A) to (O) of 42 U.S.C. Section 235b(a)(4);

(7) Denying the covered entity the ability to purchase drugs at 340B program pricing by substituting a rebate discount;

(8) Refusing to cover drugs purchased under the 340B drug pricing program; or

(9) Requiring a covered entity or pharmacy to reverse, resubmit, or clarify a 340B drug pricing claim after the initial adjudication unless these actions are in the normal course of pharmacy business and not related to 340B drug pricing, except as required by federal law.

3. The director of the department of commerce and insurance shall impose a civil penalty on any health carrier, pharmacy benefits manager, or agent or affiliate of

such health carrier or pharmacy benefits manager that violates the requirements of this section. Such penalty shall not exceed five thousand dollars per violation per day.

4. The director of the department of commerce and insurance shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2025, shall be invalid and void.

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