State of South Dakota

NINETY-FOURTH SESSION
LEGISLATIVE ASSEMBLY, 2019

846B0596

HOUSE HEALTH AND HUMAN SERVICES

ENGROSSED NO. HB 1137 - 2/7/2019

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Representatives Gosch, Anderson, Jensen (Kevin), Lake, and Peterson (Kent) and Senators Steinhauer, Bolin, Rusch, Smith (VJ), and Solano

FOR AN ACT ENTITLED, An Act to revise certain provisions regarding pharmacy benefit managers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 58-29E be amended by adding a NEW SECTION to read:

No pharmacy benefit manager shall contractually require a pharmacy, who is a participating provider in a health plan provided by a covered entity, to charge or collect from an insured a cost share for a prescription or pharmacy service that exceeds the amount retained by the pharmacist or pharmacy from all payment sources for the filling of the prescription or providing the pharmacy service.

Section 2. That chapter 58-29E be amended by adding a NEW SECTION to read:

No pharmacy benefit manager contracting with a covered entity shall retroactively adjust a claim for reimbursement submitted by a pharmacy for a prescription drug unless the adjustment is a result of either of the following:

(1) A pharmacy audit conducted in accordance with chapter 58-29F; or

100 copies were printed on recycled paper by the South Dakota Legislative Research Council at a cost of $.167 per page.

Insertions into existing statutes are indicated by underscores.
Deletions from existing statutes are indicated by ~~overstrikes~~.

(2) A technical billing error.

Section 3. That chapter 58-29E be amended by adding a NEW SECTION to read:

Nothing in this Act shall prohibit a pharmacy benefit manager from adjusting claim payment for the benefit of a covered individual if there was an error in the adjudication of a claim submitted by or on behalf of the covered individual.

Section 4. That chapter 58-29E be amended by adding a NEW SECTION to read:

No pharmacy benefit manager may discriminate against a pharmacy participating in a health plan as an entity authorized to participate under section 340B of the Public Health Service Act, as amended to January 1, 2019, or any pharmacy under contract with such an entity to provide prescriptions. For the purposes of this chapter, a retail pharmacy is any pharmacy licensed under the laws of this state, and no pharmacy benefit manager may, by contract, modify that definition.