

SENATE BILL No. 1001

June 12, 2014, Introduced by Senators SCHUITMAKER and CASWELL and referred to the Committee on Insurance.

A bill to amend 1984 PA 218, entitled
"Third party administrator act,"
(MCL 550.901 to 550.960) by adding section 27.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 27. ALL OF THE FOLLOWING APPLY TO A CONTRACT BETWEEN A
2 PHARMACY BENEFIT MANAGER AND A PHARMACY:

3 (A) THE PBM SHALL INCLUDE IN THE CONTRACT A CURRENT LIST OF
4 THE SOURCES USED TO DETERMINE MAC PRICE. THE PBM SHALL UPDATE THE
5 MAC PRICE INFORMATION AT LEAST EVERY 7 DAYS AND PROVIDE A MEANS BY
6 WHICH THE PHARMACY MAY PROMPTLY REVIEW MAC PRICE UPDATES IN A
7 FORMAT THAT IS READILY AVAILABLE AND ACCESSIBLE.

8 (B) THE PBM SHALL MAINTAIN A PROCEDURE TO ELIMINATE PRODUCTS

1 FROM THE LIST OF DRUGS SUBJECT TO MAC PRICE IN A TIMELY MANNER IN
2 ORDER TO REMAIN CONSISTENT WITH PRICING CHANGES IN THE MARKETPLACE.

3 (C) THE PBM SHALL INCLUDE IN THE CONTRACT A PROCESS TO APPEAL,
4 INVESTIGATE, AND RESOLVE DISPUTES REGARDING MAC PRICE, WHICH
5 PROCESS MUST INCLUDE ALL OF THE FOLLOWING:

6 (i) A 21-DAY LIMIT ON THE RIGHT TO APPEAL FOLLOWING THE INITIAL
7 CLAIM.

8 (ii) A REQUIREMENT THAT THE APPEAL BE INVESTIGATED AND RESOLVED
9 WITHIN 21 DAYS AFTER THE APPEAL.

10 (iii) A TELEPHONE NUMBER AT WHICH THE PHARMACY MAY CONTACT THE
11 PBM TO SPEAK TO AN INDIVIDUAL RESPONSIBLE FOR PROCESSING APPEALS.

12 (iv) A REQUIREMENT THAT THE PBM PROVIDE A REASON FOR ANY APPEAL
13 DENIAL AND THE IDENTIFICATION OF THE NATIONAL DRUG CODE OF A DRUG
14 THAT MAY BE PURCHASED BY THE PHARMACY AT A PRICE AT OR BELOW THE
15 BENCHMARK PRICE AS DETERMINED BY THE PBM.

16 (v) A REQUIREMENT THAT THE PBM MAKE AN ADJUSTMENT BY A DATE NO
17 LATER THAN 1 DAY AFTER THE DATE OF DETERMINATION. THIS SUBPARAGRAPH
18 DOES NOT PROHIBIT A PBM FROM RETROACTIVELY ADJUSTING A CLAIM FOR
19 THE APPEALING PHARMACY OR FOR ANOTHER SIMILARLY SITUATED PHARMACY.