

# SENATE BILL No. 1002

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 sections 25 and 26.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 25. A PHARMACY BENEFIT MANAGER SHALL HAVE A CONTRACTED  
2        PHARMACY NETWORK SUFFICIENT TO ENSURE ACCESS TO COVERED  
3        INDIVIDUALS.

4        SEC. 26. (1) A PHARMACY BENEFIT MANAGER SHALL NOT DO ANY OF  
5        THE FOLLOWING:

6        (A) MANDATE THAT A COVERED INDIVIDUAL USE A SPECIFIC RETAIL  
7        PHARMACY, MAIL-ORDER PHARMACY, SPECIALTY PHARMACY, OR OTHER  
8        PHARMACY OR ENTITY IF THE PBM HAS AN OWNERSHIP INTEREST IN THE  
9        PHARMACY, PRACTICE SITE, OR ENTITY, OR THE PHARMACY, PRACTICE SITE,  
10       OR ENTITY HAS OWNERSHIP INTEREST IN THE PBM.

1 (B) PROVIDE AN INCENTIVE TO A COVERED INDIVIDUAL TO ENCOURAGE  
2 THE USE OF A SPECIFIC PHARMACY IF THAT INCENTIVE IS ONLY APPLICABLE  
3 TO A PBM PHARMACY.

4 (C) REQUIRE THAT A PHARMACIST OR RETAIL PHARMACY PARTICIPATE  
5 IN A NETWORK MANAGED BY THE PBM AS A CONDITION FOR THE RETAIL  
6 PHARMACY TO PARTICIPATE IN ANOTHER NETWORK MANAGED BY THE SAME PBM.

7 (D) EXCLUDE AN OTHERWISE QUALIFIED PHARMACIST OR RETAIL  
8 PHARMACY FROM PARTICIPATION IN A PARTICULAR NETWORK IF THE  
9 PHARMACIST OR PHARMACY ACCEPTS THE TERMS, CONDITIONS, AND  
10 REIMBURSEMENT RATES OF THE PBM, MEETS ALL APPLICABLE FEDERAL AND  
11 STATE LICENSURE AND PERMIT REQUIREMENTS, AND HAS NOT BEEN EXCLUDED  
12 FROM PARTICIPATION IN ANY FEDERAL OR STATE PROGRAM.

13 (E) AUTOMATICALLY ENROLL OR DISENROLL A RETAIL PHARMACY IN A  
14 CONTRACT OR MODIFY AN EXISTING AGREEMENT WITHOUT WRITTEN AGREEMENT  
15 OF THE PHARMACIST OR RETAIL PHARMACY.

16 (F) CONTRACT WITH A BENEFIT PLAN TO PROVIDE PHARMACY BENEFIT  
17 MANAGER SERVICES UNLESS THE BENEFIT PLAN COMPLIES WITH BOTH OF THE  
18 FOLLOWING:

19 (i) IT PERMITS COVERED INDIVIDUALS TO RECEIVE PRESCRIPTION DRUG  
20 BENEFITS, WHICH MAY INCLUDE A 90-DAY SUPPLY OF COVERED PRESCRIPTION  
21 DRUGS, AT ANY OF THE PBM'S NETWORK RETAIL PHARMACIES.

22 (ii) IT DOES NOT IMPOSE ON A COVERED INDIVIDUAL UTILIZING A  
23 RETAIL PHARMACY A COPAYMENT, DEDUCTIBLE, FEE, LIMITATION ON  
24 BENEFITS, OR OTHER CONDITION OR REQUIREMENT THAT IS NOT OTHERWISE  
25 IMPOSED ON THE COVERED INDIVIDUAL WHEN USING A MAIL-ORDER PHARMACY.

26 (2) SUBSECTION (1) (F) DOES NOT PROHIBIT A PHARMACIST WHO IS  
27 EXERCISING HIS OR HER PROFESSIONAL JUDGMENT FROM DISPENSING

1 ADDITIONAL QUANTITIES OF MEDICATION UP TO THE TOTAL NUMBER OF  
2 DOSAGE UNITS AUTHORIZED BY THE PRESCRIBER ON AN ORIGINAL  
3 PRESCRIPTION OR ON A REFILL.