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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- PHARMACIES -- PRESCRIPTIONS

Introduced By: Senators Burke, Goodwin, DiMario, Miller, Murray, and Cano

Date Introduced: March 04, 2021

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 5-19.1-19 of the General Laws in Chapter 5-19.1 entitled
2 "Pharmacies" is hereby amended to read as follows:

3 **5-19.1-19. Pharmacists -- Substitution of drugs.**

4 (a) Pharmacists when dispensing a prescription shall, unless requested otherwise by the
5 individual presenting the prescription in writing, substitute drugs containing all the same active
6 chemical ingredients of the same strength, quantity, and dosage form as the drug requested by the
7 prescriber from approved prescription drug products in accordance with the provisions of § 21-31-
8 16, unless ordered by the prescribing physician to dispense as brand name necessary on the
9 prescription form, or if the prescriber gives oral direction to that effect to the dispensing pharmacist.
10 The requirements of this section shall not apply to an order to dispense a drug for immediate
11 administration to a licensed hospital, nursing facility or hospice facility in-patient. The pharmacist
12 will make a product selection from approved prescription drug products and shall pass the savings
13 on to the ultimate consumer. When a drug product selection is made, the pharmacist shall indicate
14 the product dispensed on the written prescription or on the oral prescription, which has been
15 reduced to writing, or product information may be maintained on a computerized system if
16 information is readily retrievable.

17 (b) As used in the section, "cost sharing" means the share of costs, covered by insurance,
18 which is paid out of pocket. This term includes deductibles, coinsurance, and copayments, or
19 similar charges, but it does not include premiums, balance billing amounts for non-network

1 providers, or the cost of non-covered services.

2 (c) Pharmacists, when dispensing a prescription, shall inform the customer whether their
3 available cost-sharing benefits exceed the actual retail price of the prescription sought, in the
4 absence of prescription drug coverage and that a prescription drug purchased through the customer's
5 health insurance coverage allows the information to be part of the customer's record used by their
6 health insurance plan for purposes such as medication and care management.

7 SECTION 2. Chapter 27-20.8 of the General Laws entitled "Prescription Drug Benefits" is
8 hereby amended by adding thereto the following section:

9 **27-20.8-3. Pharmacy benefit manager.**

10 (a) As used in this section, "pharmacy benefit manager" means a person or entity who
11 contracts with a pharmacy on behalf of an insurer, health plan, or third-party administrator to
12 administer or manage prescription drug benefits.

13 (b) No medical insurance carrier or pharmacy benefit manager shall penalize or prohibit in
14 any manner, a pharmacy's disclosure to an individual purchasing prescription medication relative
15 to information regarding the cost of the prescription medication to the individual or the availability
16 of any therapeutically equivalent alternative medications or alternative methods of purchasing the
17 prescription medication, including, but not limited to, paying a cash price, that are less expensive
18 than the cost of the prescription medication available to the individual, as required by § 5-19.1-19.

19 SECTION 3. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO BUSINESSES AND PROFESSIONS -- PHARMACIES -- PRESCRIPTIONS

1 This act would require pharmacists to notify their customers whether their cost sharing
2 benefits exceed the actual retail price of the prescription sought, in the absence of prescription drug
3 coverage. It would also prevent medical insurance companies and pharmacy benefit managers from
4 penalizing a pharmacy for informing their prescription purchasers of alternative substitute drugs
5 that are less expensive than those sought.

6 This act would take effect upon passage.

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