

S.F. No. 482 – Requirements establishment for pharmacy benefit managers and health carriers related to clinician-administered drugs (1st engrossment)

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Overview

S.F. 482 prohibits pharmacy benefit managers (“PBMs”) and health carriers from requiring that a clinician-administered drug or the administration of such a drug be covered as a pharmacy benefit. This bill further establishes a requirement that enrollees be permitted to obtain a clinician-administered drug from a provider authorized to administer the drug, or a pharmacy. **S.F. 482** creates several additional prohibitions for PBMs and health carriers, including from requiring clinician-administered drugs to be dispensed by a pharmacy selected by the PBM or health carrier (or limiting coverage in such situations) as well as from reimbursing a provider or pharmacy for clinician-administered drugs and their administration at a lower amount than that which would be applied to an affiliated pharmacy or pharmacy selected by the PBM or health carrier.

Summary

Section 1. [Minn. Stat. § 62W.15] Clinician-Administered Drugs.

Subdivision 1. Definitions. Defines key terms for the purposes of this new section of law, including “affiliated pharmacy” and “clinician-administered drug.”

Subdivision 2. Prohibition on requiring coverage as a pharmacy benefit. Prohibits PBMs and health carriers from requiring that a clinician-administered drug or the administration of such a drug be covered as a pharmacy benefit.

Subdivision 3. Enrollee choice. Requires a PBM or health carrier to permit an enrollee to obtain a clinician-administered drug from a provider authorized to administer the drug, or a pharmacy, and prohibits such entities from (1) interfering with the enrollee’s right to obtain a clinician-administered drug from a provider or pharmacy or offering incentives to influence the enrollee’s

choice; (2) requiring clinician-administered drugs to be dispensed by a pharmacy selected by the PBM or health carrier; and (3) limiting or excluding coverage for a clinician-administered drug when it is not dispensed by a pharmacy selected by the PBM or health carrier, if the drug would otherwise be covered.

Subdivision 4. Cost-sharing and reimbursement. Permits PBMs and health carriers to (1) impose coverage limitations on enrollees who obtain a clinician-administered drug from a provider authorized to administer the drug, or a pharmacy, only if the limitations would also be imposed if the drug were obtained from an affiliated pharmacy or a pharmacy selected by the PBM or health carrier, and (2) impose cost-sharing requirements on enrollees that obtain a clinician-administered drug from a provider authorized to administer the drug, or a pharmacy, if the requirements would also be imposed if the drug were obtained from an affiliated pharmacy or a pharmacy selected by the PBM or health carriers. Prohibits PBMs and health carriers from reimbursing a provider or pharmacy for clinician-administered drugs and their administration at a lower amount than that which would be applied to an affiliated pharmacy or pharmacy selected by the PBM or health carrier.

Subdivision 5. Other requirements. Prohibits PBMs and health carriers from (1) requiring or encouraging the dispensing of a clinician-administered drug to an enrollee in a manner that is inconsistent with the supply chain security controls and chain of distribution set by the federal Drug Supply Chain Security Act, and (2) requiring a specialty pharmacy to dispense a clinician-administered drug directly to a patient with the intention that the patient will transport the medication to a provider for administration. Permits PBMs and health carriers to offer the use of (1) a home infusion pharmacy to dispense or administer clinician-administered drugs to enrollees, and (2) an infusion site external to the enrollee's provider office or clinic.

Effective Date. This section is effective January 1, 2024.