

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1176

(Reference to Senate engrossed bill)

1 Strike everything after the enacting clause and insert:

2 "Section 1. Title 20, chapter 25, Arizona Revised Statutes, is
3 amended by adding article 3, to read:

4 ARTICLE 3. 340B PHARMACIES

5 20-3341. Definitions

6 IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 1. "DRUG COVERAGE":

8 (a) MEANS ANY FORM OF COMPENSATION PAID TO A PHARMACY THAT DISPENSES
9 PRESCRIPTION DRUGS FOR A PATIENT UNDER A CONTRACTUAL OR OTHER LEGAL
10 OBLIGATION WITH A HEALTH INSURER OR PHARMACY BENEFIT MANAGER.

11 (b) DOES NOT INCLUDE EITHER OF THE FOLLOWING:

12 (i) COVERAGE PROVIDED PURSUANT TO TITLE 36, CHAPTER 29, ARTICLE 1.

13 (ii) ANY AMOUNTS PAID BY AN INDIVIDUAL ON HIS OR HER OWN BEHALF OR
14 ON BEHALF OF ANOTHER INDIVIDUAL WITHOUT A CONTRACTUAL OR LEGAL OBLIGATION
15 TO DO SO.

16 2. "HEALTH CARE PLAN" HAS THE SAME MEANING PRESCRIBED IN SECTION
17 20-3151.

18 3. "HEALTH INSURER" HAS THE SAME MEANING PRESCRIBED IN SECTION
19 20-242.

20 4. "THIRD PARTY" MEANS A HEALTH INSURER OR PHARMACY BENEFIT MANAGER
21 THAT PROVIDES OR MANAGES DRUG COVERAGE UNDER A HEALTH CARE PLAN.

1 8. ESTABLISH ADDITIONAL REQUIREMENTS OR RESTRICTIONS ONLY ON 340B
2 DRUGS.

3 B. WITH RESPECT TO A PATIENT WHO IS ELIGIBLE TO RECEIVE DRUGS
4 SUBJECT TO AN AGREEMENT UNDER 42 UNITED STATES CODE SECTION 256b, A
5 PHARMACY BENEFIT MANAGER OR OTHER THIRD PARTY THAT PAYS FOR THE DRUGS MAY
6 NOT DISCRIMINATE AGAINST A 340B COVERED ENTITY IN A MANNER THAT PREVENTS OR
7 INTERFERES WITH THE PATIENT'S CHOICE TO RECEIVE THE DRUGS FROM THE 340B
8 COVERED ENTITY OR THAT INTERFERES WITH THE ABILITY OF A COVERED ENTITY TO
9 MAXIMIZE THE VALUE OF DISCOUNTS PROVIDED UNDER THE 340B DRUG DISCOUNT
10 PROGRAM.

11 20-3344. Rules; penalties

12 THE DEPARTMENT SHALL ADOPT RULES TO IMPLEMENT THIS ARTICLE. THE
13 RULES SHALL SET FORTH PENALTIES, INCLUDING MONETARY PENALTIES, FOR
14 VIOLATIONS OF THIS ARTICLE AND THE RULES ADOPTED PURSUANT TO THIS ARTICLE.

15 20-3345. Unfair trade practice

16 A VIOLATION OF ANY PROVISION OF THIS ARTICLE BY A THIRD PARTY
17 CONSTITUTES AN UNFAIR OR DECEPTIVE ACT OR PRACTICE IN THE BUSINESS OF
18 INSURANCE UNDER THIS TITLE AND IS CONSIDERED VOID AND UNENFORCEABLE."

19 Amend title to conform

JOHN KAVANAGH

~~03/16/2022~~
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~~C: SK~~

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02:25 PM
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