

2016 -- H 7921

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LC005353  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO INSURANCE - PHARMACY FREEDOM OF CHOICE - FAIR  
COMPETITION AND PRACTICES

Introduced By: Representatives Bennett, Shekarchi, Handy, Tanzi, and McEntee

Date Introduced: March 10, 2016

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-29.1-7 of the General Laws in Chapter 27-29.1 entitled  
2 "Pharmacy Freedom of Choice - Fair Competition and Practices" is hereby amended to read as  
3 follows:

4 **27-29.1-7. Regulation of pharmacy benefits managers.** – (a) Pharmacy benefits  
5 managers shall be included within the definition of third-party administrator under chapter 20.7 of  
6 this title and shall be regulated as such. The annual report filed by third-party administrators with  
7 the department of business regulation shall include: contractual language that provides a complete  
8 description of the financial arrangements between the third-party administrator and each of the  
9 insurers covering benefit contracts delivered in Rhode Island; and if the third-party administrator  
10 is owned by or affiliated with another entity or entities, it shall include an organization chart and  
11 brief description which shows the relationships among all affiliates within a holding company or  
12 otherwise affiliated. Such reporting shall be in a format required by the director and filed with the  
13 department as a public record as defined and regulated under chapter 2 of title 38.

14 (b) At the time of filing, a one dollar (\$1.00) per covered life per month fee shall be paid  
15 to the department of business regulation.

16 (c) The funds accruing to the state as provided in subsection (b) of this section shall be  
17 deposited into a restricted receipt account, managed by the secretary of the executive office of  
18 health and human services. The funds shall be expended on treatment for opioid use disorders as

1 [determined by the secretary to meet the recommendations of the governor's overdose prevention](#)  
2 [and intervention task force.](#)

3 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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- 1           This act would add a one (\$1.00) dollar fee per covered life per month to be paid when
- 2   filing the annual report required of third party administrators of pharmacy benefit plans. The
- 3   funds would go into a restricted receipt account and would be expended on opioid use disorders.
- 4           This act would take effect upon passage.

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