

**SB 138 2nd Sub., PHARMACY BENEFIT MANAGER
REVISIONS, (Vickers, E)**

Anticipated Fiscal Impact:

**No anticipated fiscal impact on the State Health Insurance Risk
Pool**

Summary:

2nd Sub. SB 138 prohibits PBMs from benefitting from preferential rates available through a 340B pharmacy. However, under 2nd Sub. SB 138, this prohibition does not apply to a health plan like PEHP. As a result, PEHP may independently seek agreements with 340B pharmacies to gain discounts to offset the loss of a manufacturer's rebate that would be available for a drug dispensed at a retail pharmacy. Further, it places no restriction on PEHP's ability to exclude a 340B pharmacy from PEHP's network if necessary to avoid losing money, should a 340B pharmacy be unwilling to provide a discount on drug at least equal to a manufacturer's rebate. Accordingly, 2nd Sub. SB 138 does alter PEHP's ability to obtain drugs at a cost neutral price from 340B pharmacies and, as such, we do not anticipate that the bill would increase costs for the state health insurance risk pool.