

One Hundred Ninth Legislature - First Session - 2025

Introducer's Statement of Intent

LB198

Chairperson: Senator Mike Jacobson

Committee: Banking, Commerce and Insurance

Date of Hearing: March 03, 2025

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB198 amends the Pharmacy Benefit Manager Licensure and Regulation Act (the "Act") to include the following:

- Extends the appeal, investigation, and dispute resolution process under the Act to reimbursements for a specific drug or drugs made under a maximum allowable cost price at below the pharmacy acquisition cost;
- Protects pharmacies from being paid below their cost of acquisition for dispensing medications;
- Establishes a pharmacy benefit manager duty of care, good faith, and fair dealing with respect to the performance of pharmacy benefit manager services for the best interest of covered persons, health benefit plans, and providers;
- Prohibits a plan, except as provided in Section 44-4610 regarding specialty pharmacy networks, from requiring pharmacy accreditation standards or recertification requirements to participate in networks which are inconsistent with, more stringent than, or in addition to the federal and state requirements for licensure as a pharmacy in Nebraska;
- Prohibits a pharmacy benefit manager from reimbursing a pharmacy or pharmacist an amount less than the amount that the pharmacy benefit manager reimburses a plan affiliate for providing the same pharmacist services;
- Prohibits a pharmacy benefit manager from directly or indirectly engaging in patient steering to a pharmacy benefit manager affiliate;
- Prohibits spread pricing; and
- Expands the enforcement powers of the Department of Insurance under the Act to include suspension or revocation of the license of a pharmacy benefit manager.

Principal Introducer: _____

Senator Tony Sorrentino