

# STATE OF KANSAS

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LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 8, 2018

The Honorable Vicki Schmidt, Chairperson  
Senate Committee on Public Health and Welfare  
Statehouse, Room 441-E  
Topeka, Kansas 66612

Dear Senator Schmidt:

**SUBJECT:** Fiscal Note for SB 351 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 351 is respectfully submitted to your committee.

SB 351 would create the Kansas Pharmacy Patients Fair Practices Act. The bill would prohibit pharmacy benefits managers from requiring, or restricting actions of pharmacists and pharmacies that that would be detrimental to a covered person's ability to make an informed decision regarding prescription and pharmacy services.

Prohibited actions would include collecting charges that exceed the amount received by all payment sources, not informing covered persons that not utilizing a health benefit plan could be cheaper and selling a prescription to a person who chooses to not utilize a health benefit plan. A Pharmacy Benefit Manager (PBM) would be prohibited from interfering in pharmacist discussions regarding drug options. PBMs would also be requiring prescriptions to be obtained from a mail order service or a pharmacist or pharmacy from offering such services. The bill would also prohibit a covered person from being penalized with extra fees, limitations, etc. if prescriptions are not obtained through a mail service pharmacy.

SB 351 would give the Commissioner of Insurance the authority to adopt any necessary rules and regulations in order to implement and administer provisions in the bill. The Commissioner would have the power to examine a PBM and, if necessary, impose a civil fine or revoke the certificate of registration.

The Honorable Vicki Schmidt, Chairperson  
February 8, 2018  
Page 2—SB 351

According to the Kansas Insurance Department, enactment of SB 351 would not have a fiscal effect.

Sincerely,

A handwritten signature in black ink, appearing to read "L. Campbell". The signature is written in a cursive style with a large, looping initial "L".

Larry L. Campbell  
Chief Budget Officer

cc: Alexandra Blasi, Board of Pharmacy  
Glenda Haverkamp, Insurance