

SENATE BILL 774

By Overbey

AN ACT to amend Tennessee Code Annotated, Title 56,
relative to pharmacy benefits.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 56, Chapter 7, is amended by adding the following as a new part to be appropriately designated:

56-7-3201. This part shall be known as the "Patient's Right to Prescription Transparency Act of 2009."

56-7-3202. As used in this part, unless the context otherwise requires:

(1) "Actual reimbursement" means the total amount that a covered entity or pharmacy benefits manager determines that a pharmacy or other dispenser will receive consistent with the provider agreement, and is the sum of the amount the covered entity or pharmacy benefits manager will pay directly to the pharmacy or other dispenser plus any applicable patient out-of-pocket cost paid directly by the patient to the pharmacy or other dispenser, for dispensing of a particular prescription or providing of a covered service;

(2) "Covered entity" means a covered entity, as defined in § 56-7-3102; and.

(3) "Pharmacy benefits manager" means a pharmacy benefits manager as defined in § 56-7-3102.

56-7-3203.

(a) When a patient's out-of-pocket cost for a prescription or covered service is percentage-based, the covered entity or pharmacy benefits manager shall calculate the out-of-pocket cost such that when the out-of-pocket cost is added to the amount that the

covered entity or pharmacy benefits manager will directly pay to the pharmacy or other dispenser the sum will equal the actual reimbursement.

(b) When a covered entity or pharmacy benefits manager provides to a patient, by whatever method including but not limited to an estimate of benefits statement, information regarding the patient's out-of-pocket cost for a particular prescription or covered service, the covered entity or pharmacy benefits manager shall provide the patient the actual reimbursement for the particular prescription or covered service.

56-7-3204. A covered entity or pharmacy benefits manager shall not in any way restrict, by contract or otherwise, any pharmacy or other dispenser from disclosing to the patient or authorized representative of the patient the actual reimbursement for a particular prescription or covered service. A pharmacy or other dispenser may disclose the actual reimbursement either orally or in writing on any document, including but not limited to, a receipt, patient profile and summary of the patient's expenditures for prescriptions or covered services.

SECTION 2. This act shall take effect January 1, 2010, the public welfare requiring it.