

Senate Engrossed

pharmacy benefit managers; prohibited fees

State of Arizona
Senate
Fifty-fifth Legislature
First Regular Session
2021

CHAPTER 217

SENATE BILL 1356

AN ACT

AMENDING TITLE 20, CHAPTER 25, ARTICLE 2, ARIZONA REVISED STATUTES, BY
ADDING SECTION 20-3332; RELATING TO PHARMACY BENEFIT MANAGERS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 20, chapter 25, article 2, Arizona Revised
3 Statutes, is amended by adding section 20-3332, to read:

4 20-3332. Prohibition against claim adjudication process fees;
5 civil remedies

6 A. A PHARMACY BENEFIT MANAGER MAY NOT DIRECTLY OR INDIRECTLY, ON
7 BEHALF OF ITSELF, A PLAN SPONSOR OR AN INSURER, CHARGE OR HOLD A
8 PHARMACIST OR PHARMACY RESPONSIBLE FOR A FEE FOR ANY STEP OF OR COMPONENT
9 OR MECHANISM RELATED TO THE CLAIMS ADJUDICATION PROCESS, INCLUDING:

- 10 1. ADJUDICATING A PHARMACY BENEFIT CLAIM.
11 2. PROCESSING OR TRANSMITTING A PHARMACY BENEFIT CLAIM.
12 3. DEVELOPING OR MANAGING A CLAIMS PROCESSING OR ADJUDICATION
13 NETWORK.
14 4. PARTICIPATING IN A CLAIMS PROCESSING OR ADJUDICATION NETWORK.

15 B. A PHARMACY MAY SUBMIT A COMPLAINT OF A VIOLATION OF THIS CHAPTER
16 TO THE DIRECTOR. THE PHARMACY MUST INCLUDE SUPPORTING DOCUMENTATION AT
17 THE TIME THE PHARMACY FILES THE COMPLAINT. THE DIRECTOR SHALL INVESTIGATE
18 THE COMPLAINT AND MAY EXAMINE AND AUDIT THE BOOKS AND RECORDS OF A
19 PHARMACY BENEFIT MANAGER TO DETERMINE IF THE PHARMACY BENEFIT MANAGER HAS
20 COMMITTED A VIOLATION OF THIS CHAPTER. IF THE DIRECTOR FINDS THAT A
21 PHARMACY BENEFIT MANAGER HAS COMMITTED A VIOLATION OF THIS CHAPTER, THE
22 DIRECTOR MAY:

- 23 1. SEEK AN INJUNCTION IN A COURT OF COMPETENT JURISDICTION AND MAY
24 APPLY FOR TEMPORARY AND PERMANENT ORDERS THAT THE DIRECTOR DETERMINES ARE
25 NECESSARY TO RESTRAIN THE PHARMACY BENEFIT MANAGER FROM CONTINUING TO
26 COMMIT THE VIOLATION.
27 2. ISSUE A CEASE AND DESIST ORDER PURSUANT TO SECTION 20-456 ON THE
28 PHARMACY BENEFIT MANAGER.

29 C. A PHARMACY BENEFIT MANAGER THAT COMMITS A VIOLATION OF THIS
30 CHAPTER IS SUBJECT TO THE PENALTIES PRESCRIBED IN SECTION 20-456.

31 D. IN ADDITION TO THE ACTIONS AND PENALTIES PRESCRIBED IN
32 SUBSECTIONS B AND C OF THIS SECTION, ANY PERSON WHO IS DAMAGED BY THE ACTS
33 OF A PHARMACY BENEFIT MANAGER COMMITTED IN VIOLATION OF THIS CHAPTER MAY
34 BRING A CIVIL ACTION FOR DAMAGES AGAINST THE PHARMACY BENEFIT MANAGER
35 COMMITTING THE VIOLATION IN A COURT OF COMPETENT JURISDICTION.

36 Sec. 2. Applicability

37 Section 20-3332, Arizona Revised Statutes, as added by this act,
38 applies to contracts entered into, amended, extended or renewed after the
39 effective date of this act.

APPROVED BY THE GOVERNOR APRIL 9, 2021.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 9, 2021.