



OFFICE OF INSURANCE AND SAFETY FIRE COMMISSIONER

JOHN F. KING
COMMISSIONER OF INSURANCE
SAFETY FIRE COMMISSIONER
INDUSTRIAL LOAN COMMISSIONER

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BULLETIN 20-EX-2

TO: GEORGIA CONSUMERS

FROM: JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER

DATE: JANUARY 9, 2020

RE: NEW GEORGIA LAWS PERTAINING TO PHARMACY BENEFIT MANAGERS
EFFECTIVE JANUARY 1, 2020

Pharmacy benefits manager are companies that manage prescription drug benefits on behalf of health insurers, Medicare Part D drug plans, large employers, and other payers. The services they provide include the procurement of prescription drugs to be dispensed to patients and the administration or management of prescription drug benefits. The scope of their services include, but are not limited to, mail order pharmacy services, claims processing, retail network management, or payment of claims to pharmacies for dispensing prescription drugs; clinical or other formulary or preferred drug list development and management; patient compliance, therapeutic intervention, or generic substitution programs; and disease management.

Pursuant to OCGA § 33-64-11 (a) as of January 1, 2020, Pharmacy Benefits Managers are prohibited from:

1. Prohibiting your pharmacist, pharmacy, or other dispenser or dispenser practice from providing you information on the amount of your cost share for your prescription drug and the medical effectiveness of a cheaper alternative drug if one is available.
2. Prohibiting your pharmacist, pharmacy, or other dispenser or dispenser practice from offering and providing store direct delivery services to you as an ancillary service of the pharmacy or dispenser practice.
3. Charging or collecting a copayment from you that exceeds the total submitted charges by the network pharmacy or other dispenser practice for which the pharmacy or dispenser practice is paid.
4. Ordering you to an affiliated pharmacy to fill your prescription or for the provision of pharmacy care services, offering or implementing plan designs that require you to utilize an

affiliated pharmacy, or advertising, marketing, or promoting a pharmacy by an affiliate to you. However, a pharmacy benefits manager may include an affiliated pharmacy in communications to you regarding network pharmacies and prices, provided that the pharmacy benefits manager includes information regarding eligible nonaffiliated pharmacies in such communications, and the information provided is accurate.

5. Transferring or sharing records relative to prescription information containing any patient-identifiable and prescriber-identifiable data to an affiliated pharmacy for any commercial purpose; however, there is no prohibition on the exchange of prescription information between a pharmacy benefits manager and an affiliated pharmacy for the limited purposes of pharmacy reimbursement, formulary compliance, pharmacy care, or utilization review.
6. Knowingly making a misrepresentation to you, your pharmacist, pharmacy, dispenser, or dispenser practice.

Pharmacy Benefit Managers operating in the State of Georgia who violate these provisions may be subject to Commissioner John F. King placing them on probation for up to one year for each and every violation and may subject them to a monetary penalty of up to \$1,000.00 for each and every violation. If, however, the pharmacy benefits manager knew or reasonably should have known he or she was in violation of these provisions, the monetary penalty may be increased to an amount of up to \$5,000.00 for each and every violation.

If you believe a Pharmacy Benefit Manager has violated one of the above provisions or any other provision of law, please contact the Office of Insurance and Safety Fire Commissioner John F. King toll free at 1-800-656-2298 or 404-656-2298.



JOHN F. KING
INSURANCE AND SAFETY FIRE COMMISSIONER
STATE OF GEORGIA