

HR 5234

PBM Audit Reform and Transparency Act of 2010

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Health

Introduced: May 6, 2010

Current Status: Referred to the Subcommittee on Health, Employment, Labor, and Pensions.

Latest Action: Referred to the Subcommittee on Health, Employment, Labor, and Pensions. (May 27, 2010)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/5234>

Sponsor

Name: Rep. Weiner, Anthony D. [D-NY-9]

Party: Democratic • **State:** NY • **Chamber:** House

Cosponsors (32 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Moran, Jerry [R-KS-1]	R · KS		May 6, 2010
Rep. Holden, Tim [D-PA-17]	D · PA		May 12, 2010
Rep. Rogers, Mike D. [R-AL-3]	R · AL		May 13, 2010
Rep. Ross, Mike [D-AR-4]	D · AR		May 18, 2010
Rep. Welch, Peter [D-VT-At Large]	D · VT		May 20, 2010
Rep. Boyd, Allen [D-FL-2]	D · FL		Jun 8, 2010
Rep. Jones, Walter B., Jr. [R-NC-3]	R · NC		Jun 8, 2010
Rep. Courtney, Joe [D-CT-2]	D · CT		Jun 16, 2010
Rep. Visclosky, Peter J. [D-IN-1]	D · IN		Jun 21, 2010
Rep. Bishop, Sanford D., Jr. [D-GA-2]	D · GA		Jun 24, 2010
Rep. Himes, James A. [D-CT-4]	D · CT		Jun 24, 2010
Rep. Owens, William L. [D-NY-23]	D · NY		Jun 24, 2010
Rep. Barrow, John [D-GA-12]	D · GA		Jun 28, 2010
Rep. Kingston, Jack [R-GA-1]	R · GA		Jun 28, 2010
Rep. Frank, Barney [D-MA-4]	D · MA		Jun 29, 2010
Rep. Peterson, Collin C. [D-MN-7]	D · MN		Jul 14, 2010
Rep. Chu, Judy [D-CA-32]	D · CA		Jul 19, 2010
Rep. Gerlach, Jim [R-PA-6]	R · PA		Jul 20, 2010
Rep. Lipinski, Daniel [D-IL-3]	D · IL		Jul 29, 2010
Rep. Loebsack, David [D-IA-2]	D · IA		Jul 29, 2010
Rep. Walz, Timothy J. [D-MN-1]	D · MN		Jul 29, 2010
Rep. Bishop, Timothy H. [D-NY-1]	D · NY		Jul 30, 2010
Rep. Alexander, Rodney [R-LA-5]	R · LA		Sep 29, 2010
Rep. Berry, Marion [D-AR-1]	D · AR		Sep 29, 2010
Rep. Boucher, Rick [D-VA-9]	D · VA		Sep 29, 2010
Rep. Carney, Christopher P. [D-PA-10]	D · PA		Sep 29, 2010
Rep. Deutch, Theodore E. [D-FL-19]	D · FL		Sep 29, 2010
Rep. Herseth Sandlin, Stephanie [D-SD-At Large]	D · SD		Sep 29, 2010
Rep. Israel, Steve [D-NY-2]	D · NY		Sep 29, 2010
Rep. Rahall, Nick J., II [D-WV-3]	D · WV		Sep 29, 2010
Rep. Sánchez, Linda T. [D-CA-39]	D · CA		Sep 29, 2010
Rep. Murphy, Christopher [D-CT-5]	D · CT		Nov 18, 2010

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred to	May 27, 2010
Energy and Commerce Committee	House	Referred To	May 6, 2010
Ways and Means Committee	House	Referred to	May 10, 2010

Subjects & Policy Tags

Policy Area:

Health

Related Bills

No related bills are listed.

Summary (as of May 6, 2010)

PBM Audit Reform and Transparency Act of 2010 - Amends the Public Health Service Act, the Employee Retirement Income Security Act of 1974 (ERISA), the Internal Revenue Code, and part D (Voluntary Prescription Drug Benefit Program) of title XVIII (Medicare) of the Social Security Act to prohibit a group health plan from entering into a contract with any pharmacy benefit manager (PBM) to manage the prescription drug coverage provided under the plan, or to control the costs of such coverage, unless the PBM satisfies the following requirements.

Requires the PBM to report at least annually to each plan, including regarding the PBM's payments to pharmacies, payments received by the PBM from plans and drug manufacturers, and information on generic drugs.

Sets forth provisions governing the interaction between a PBM and pharmacies that contract with the PBM, including: (1) requiring the PBM to disclose reimbursement information; (2) requiring prompt payment for clean claims; (3) prohibiting the exclusion of qualified pharmacies from participation in a network; and (4) requiring a pharmacy owner to sign a contract with a PBM before assuming responsibility to participate in a network managed by the PBM.

Prohibits a PBM from requiring or offering incentives to a beneficiary to fill a prescription at a pharmacy that the PBM has an ownership interest in or at a pharmacy with an ownership interest in the PBM.

Sets forth requirements for PBM audits of a contract pharmacy, including requirements for prior written notice and an appeals process.

Establishes limitations on a PBM seeking to sell, lease, or rent utilization or claims data that a PBM possesses as a result of a contract with a health plan, including requiring a PBM to: (1) provide prior notification of, and receive written approval from, the plan; and (2) provide an opportunity for covered individuals to opt-out of a sale, leasing, or renting of data related to such individual. Prohibits a PBM from directly contacting a covered individual without express written permission of the plan and the individual. Limits data sharing with PBM-owned pharmacies or pharmacies with ownership interests in the PBM.

Applies the provisions of this Act to health insurance coverage offered in the individual market.

Actions Timeline

- **May 27, 2010:** Referred to the Subcommittee on Health, Employment, Labor, and Pensions.
- **May 10, 2010:** Referred to the Subcommittee on Health.
- **May 6, 2010:** Introduced in House
- **May 6, 2010:** Referred to House Energy and Commerce
- **May 6, 2010:** Referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and Labor, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.
- **May 6, 2010:** Referred to House Ways and Means
- **May 6, 2010:** Referred to House Education and Labor