State Corporation Commission 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: SB1359 **Patron:** Srinivasan

Bill Title: Prohibited conduct by health carriers and pharmacy benefits managers; civil penalty;

enforcement.

Bill Summary: Prohibits any carrier, pharmacy benefits manager, or representative of a pharmacy benefits manager from (i) requiring that a covered individual purchase pharmacy services exclusively through a mailorder pharmacy or retail pharmacy affiliated with a pharmacy benefits manager or (ii) prohibiting or limiting a covered individual from selecting a pharmacy or pharmacist of his choice that has agreed to participate in the health benefit plan according to the terms of the plan. The bill adds a civil penalty of \$5,000 for a violation of prohibited conduct by health carriers and pharmacy benefits managers and adds that the State Corporation Commission has authority to investigate any such violations.

Budget Amendment Necessary: No. Items Impacted: None.

Explanation: Not applicable.

Fiscal Summary: The proposed legislation is expected to have an indeterminate fiscal impact for the State Corporation Commission's (SCC) Bureau of Insurance (BOI).

General Fund Expenditure Impact: None.

Nongeneral Fund Expenditure Impact: Indeterminate.

Position Impact: Indeterminate.

Fiscal Analysis: The total impact the provisions of this legislation would have on SCC BOI cannot be determined. The proposed legislation would include additional prohibited conduct by carriers and pharmacy benefit managers. SCC BOI does not have readily available data to estimate the potential volume of complaints that may be generated from this legislative change and cannot estimate whether it can be absorbed with existing resources. If the provisions of the bill lead to an appreciable increase in complaints, SCC BOI may need additional appropriations, positions, or both. As such, the fiscal impact is indeterminate.

Other: None.