



**Oppose H.B.617/S.B. 182:  
Inequitable, Excessive Regulation of Pharmacy Benefit Managers (PBMs)**

**Current State and Federal Laws Adequately Protect Consumers**

- PBMs provide tremendous advantages to consumers by holding down the cost of prescriptions, helping pharmacists to monitor potential adverse drug events, and providing consumers with wide access to medications and pharmacies. PBM activities are already extensively regulated—directly and indirectly—at both the state and federal levels.
- Through contracts with health plans, employers, unions, and state and local governments, PBMs are required to comply with the same consumer protection laws and regulations governing utilization review and prior approval, timely claims payment, dispute resolution systems, and other state and federal requirements imposed on these contracts.
- PBMs are also held accountable for consumer protections, including grievance and appeals processes, through their contractual obligations with their clients.
- PBM clients are sophisticated purchasers of health care that rely on PBMs to manage their drug benefit. Many of these clients have consistently opposed unnecessary PBM regulation in state legislatures around the country.

**Florida TPA Bills: Excessive Regulatory Authority Creating an Unlevel Playing Field**

- H.B. 617 and S.B. 182 provide that Office of Insurance Regulation (OIR) “shall conduct quarterly audits of each pharmacy benefits manager who holds a certificate of authority to act as [a third party administrator.],” whereas under current law, other TPAs can maintain their certificates of authority “so long as the certificateholder continues in business in this state.” These bills would treat PBMs very differently than other TPAs.
- These bills go significantly beyond the National Association of Insurance Commissioners (NAIC) Model Third Party Administrator (TPA) Act, granting new, far-reaching, and unnecessary oversight power to the OIR. In requiring quarterly audits of PBMs, PBMs would incur an undue administrative burden not borne by other TPAs.
- The Legislature should reject these bills, as they goes far beyond other states’ TPA regulatory schemes. For example, Oregon requires only a simple registration of PBMs, and in its TPA law, selected only limited sections of the NAIC model act to apply.