

AN ACT

ENTITLED, An Act to revise certain provisions regarding pharmacy benefit managers.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That chapter 58-29E be amended by adding a NEW SECTION to read:

No pharmacy benefit manager shall contractually require a pharmacy, who is a participating provider in a health plan provided by a covered entity, to charge or collect from an insured a cost share for a prescription or pharmacy service that exceeds the amount retained by the pharmacist or pharmacy from all payment sources for the filling of the prescription or providing the pharmacy service.

Section 2. That chapter 58-29E be amended by adding a NEW SECTION to read:

No pharmacy benefit manager contracting with a covered entity shall retroactively adjust a claim for reimbursement submitted by a pharmacy for a prescription drug unless the adjustment is a result of either of the following:

- (1) A pharmacy audit conducted in accordance with chapter 58-29F; or
- (2) A technical billing error.

Section 3. That chapter 58-29E be amended by adding a NEW SECTION to read:

Nothing in this Act shall prohibit a pharmacy benefit manager from adjusting claim payment for the benefit of a covered individual if there was an error in the adjudication of a claim submitted by or on behalf of the covered individual.

Section 4. That chapter 58-29E be amended by adding a NEW SECTION to read:

No pharmacy benefit manager may discriminate against a pharmacy participating in a health plan as an entity authorized to participate under section 340B of the Public Health Service Act, as amended to January 1, 2019, or any pharmacy under contract with such an entity to provide prescriptions. For the purposes of this chapter, a retail pharmacy is any pharmacy licensed under the

laws of this state, and no pharmacy benefit manager may, by contract, modify that definition.

An Act to revise certain provisions regarding pharmacy benefit managers.

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I certify that the attached Act
originated in the
HOUSE as Bill No. 1137

\_\_\_\_\_  
Chief Clerk
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\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

House Bill No. 1137  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

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Received at this Executive Office
this \_\_\_\_ day of \_\_\_\_\_ ,
20\_\_ at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor
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The attached Act is hereby
approved this \_\_\_\_\_ day of
\_\_\_\_\_, A.D., 20\_\_

\_\_\_\_\_  
Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed \_\_\_\_\_, 20\_\_
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State