

Proposed California and Federal PBM Regulations

	Licensure & Registration	Reporting Requirements	Pricing & Reimbursement	Patient Steering	Civil Penalties
California Senate Bill 41	Yes	Yes, requires reporting to DOI	Yes, prohibits spread pricing and sets pricing floor	Yes, prohibits patient steering	Yes, establishes civil penalties
Federal S. 526	Yes	Yes , requires annual reporting to the FTC and DHHS Secretary	Yes , prohibits spread pricing and arbitrary, unfair, or deceptive clawbacks of payments to pharmacies	None	Yes , establishes civil penalties, aside from FTC penalties
S. 882	None	Yes , requires annual reporting to the PDP sponsor and DHHS Secretary	Yes , permits PBM remuneration only by flat fees for services related to Medicare Part D prescription drug plans (PDPs)	Yes , widens Medicare beneficiaries' choice by allowing any pharmacy willing to meet standard terms to participate in a pharmacy network	Yes , establishes civil penalties on PDP sponsors that PBM must return to the sponsor
S. 927	None	Yes , requires reporting to the state and the DHHS Secretary on request	Yes , prohibits spread pricing in Medicaid and limits PBM remuneration for services to Medicaid managed care entities and related covered outpatient drugs to ingredient costs and a professional dispensing fee	None	None
H.R. 2214	None	None	Yes , permits PBM remuneration only by fees for services related to prescription drug benefits under group health plans or insurers	None	Yes , establishes civil penalties and PBM must also return to health plan or insurer any amount received in violation of the Act
S. 891	None	Yes, requires semi-annual reporting to group health plans, insurers offering group health coverage, including employer-sponsored health plans	Yes , prohibits spread pricing in Medicaid and limits PBM remuneration for services to Medicaid managed care entities to ingredient costs and a professional dispensing fee. For Medicare Part D, permits PBM remuneration only by flat fees for services	Yes , widens Medicare beneficiaries' choice by allowing any pharmacy willing to meet standard terms to participate in a pharmacy network	Yes , establishes civil penalties for Medicare Part D for failing to disclose required information and providing false information

Note: Acronyms used above include Department of Insurance (DOI), Federal Trade Commission (FTC), Department of Health and Human Services (DHHS), Prescription Drug Plan (PDP).