510B.8A Maximum allowable cost lists.

1. Prior to placement of a particular prescription drug on a maximum allowable cost list, a pharmacy benefits manager shall ensure that all of the following requirements are met:

a. The particular prescription drug must be listed as therapeutically and pharmaceutically equivalent in the most recent edition of the publication entitled "Approved Drug Products with Therapeutic Equivalence Evaluations", published by the United States food and drug administration, otherwise known as the orange book.

b. The particular prescription drug must not be obsolete or temporarily unavailable.

c. The particular prescription drug must be available for purchase, without limitations, by all pharmacies in the state from a national or regional wholesale distributor that is licensed in the state.

2. For each maximum allowable cost list that a pharmacy benefits manager uses in the state, the pharmacy benefits manager shall do all of the following:

a. Provide each pharmacy in a pharmacy network reasonable access to the maximum allowable cost list to which the pharmacy is subject.

b. Update the maximum allowable cost list within seven calendar days from the date of an increase of ten percent or more in the national average drug acquisition cost of a prescription drug on the list.

c. Update the maximum allowable cost list within seven calendar days from the date of a change in the methodology, or a change in the value of a variable applied in the methodology, on which the maximum allowable cost list is based.

d. Provide a reasonable process for each pharmacy in a pharmacy network to receive prompt notice of all changes to the maximum allowable cost list to which the pharmacy is subject.

2022 Acts, ch 1113, §8, 16, 23; 2024 Acts, ch 1100, §5

Section applies to pharmacy benefits managers that manage a prescription drug benefit in the state on or after June 13, 2022; 2022 Acts, ch 1113, §16

Subsection 2, paragraph b amended