HOUSE ENROLLED ACT No. 1029

AN ACT concerning health.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the interim study committee on public health, behavioral health, and human services the task of studying issues consumers face related to prescription drug pricing, access, and costs, including the following:

(1) The process in which a prescription drug moves through the supply chain to the consumer, including the role of pharmaceutical manufacturers, wholesale distributors, pharmacies, specialty pharmacies, health insurers, and pharmacy benefit managers. Information may include the following:

(A) The financial transactions that occur between prescription drug supply entities.
(B) The role of rebates and discounts in the prescription drug supply chain.
(C) The impact that drug prices and supply chain issues have on the ability of state and local governments to provide effective prescription drug treatments.

(2) The methods that health insurers and pharmacy benefit managers currently use to manage prescription drug costs, including information on the following:

(A) Utilization management.

HEA 1029
(B) Formularies and preferred drug lists.
(C) Pharmacy networks.
(3) The function of pharmaceutical manufacturer rebates and discounts used by health insurers and pharmacy benefit managers to decrease the cost of a prescription drug for a consumer.
(4) The current trends in health care spending in the United States, including prescription drug spending.
(5) The trends in insurance benefit design and the potential impact that changes are having or may have on consumer out-of-pocket costs for prescription drugs.
(6) The efforts that pharmaceutical manufacturers, health insurers, and pharmacy benefit managers have made to be transparent about the following:
   (A) Prescription drug costs.
   (B) Utilization management methods, including drug formulary changes, prior authorization, and step therapy requirements.
(b) This SECTION expires January 1, 2020.
SECTION 2. An emergency is declared for this act.
Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: ________________  Time: __________________

HEA 1029