



March 9, 2020

**SUMMARY OF ORIGINAL BILL:** Deletes an obsolete provision requiring the Commissioner of the Department of Commerce and Insurance to report results of a study on deterrents for insurance companies to insure a person for the use of justifiable force to the General Assembly and the Governor by March 1, 2012.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (016471):** Deletes all language after the enacting clause. Requires a covered entity or pharmacy benefits manager (PBM) to:

- 1) Permit a person covered under a group medical benefit contract that provides coverage for prescription drugs to obtain a specialty drug from a physician's office, or hospital outpatient infusion center, that provides and administers the specialty drug;
- 2) Permit a person covered under a pharmacy benefit contract that provides coverage for prescription drugs to obtain a specialty drug from a physician's office or hospital outpatient infusion center that provides and administers the specialty drug;
- 3) Not limit coverage or benefits of a person covered under a group medical benefit contract or a pharmacy benefit contract;
- 4) Not require a person covered under a group medical benefit contract that provides coverage for specialty drugs to pay an additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or any other penalty if the person obtains a specialty drug from a physician's office, or a hospital outpatient infusion center, that provides and administers the specialty drug; and
- 5) Not require a person covered under a pharmacy benefit contract that provides coverage for specialty drugs to pay an additional fee, higher copay, higher coinsurance, second copay, second coinsurance, or any other penalty if the person obtains a specialty drug from a physician's office, or a hospital outpatient infusion center, that provides and administers the specialty drug.

The proposed legislation applies to contracts entered into, issued, delivered, renewed, or amended on after July 1, 2020.

**FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**

**Unchanged from the original fiscal note.**

Assumption for the bill as amended:

- The proposed legislation does not apply to the Division of TennCare or the Division of Benefits Administration; therefore, any fiscal impact is estimated to be not significant.

**IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:**

**Other Fiscal Impact – Due to multiple unknown factors, an exact impact to commerce and jobs cannot be reasonably determined.**

Assumption for the bill as amended:

- Due to multiple unknown factors such as what the PBMs current contracts cover and what fees and copays are currently paid, an exact impact to commerce and jobs cannot be reasonably determined.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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