

The House Committee on Health offers the following substitute to HB 810:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 64 of Title 33 of the Official Code of Georgia Annotated, relating to
2 regulation and licensure of pharmacy benefits managers, so as to require that final
3 reimbursements to eligible pharmacies for prescription drugs are based on certain formulas;
4 to provide for applicability; to provide for definitions; to provide for construction; to provide
5 for related matters; to provide for an effective date and applicability; to repeal conflicting
6 laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 64 of Title 33 of the Official Code of Georgia Annotated, relating to regulation and
10 licensure of pharmacy benefits managers, is amended by adding a new Code section to read
11 as follows:

12 "33-64-9.2.

13 (a) As used in this Code section:

14 (1) 'Affiliate pharmacy' means a pharmacy which, either directly or indirectly through
15 one or more intermediaries:

16 (A) Has an investment or ownership interest in a pharmacy benefits manager licensed
17 under this chapter;

18 (B) Shares common ownership with a pharmacy benefits manager licensed under this
19 chapter; or

20 (C) Has an investor or ownership interest holder which is a pharmacy benefits manager
21 licensed under this chapter.

22 (2) 'Eligible pharmacy' means a pharmacy which is not owned by an entity or natural
23 person that has an investor or ownership interests in more than ten pharmacies.

24 (3) 'Rural area' means any county having a population of less than 50,000 according to
25 the United States decennial census of 2020 or any future such census.

26 (4) 'Rural pharmacy' means any eligible pharmacy located in a rural area.

27 (b) A pharmacy benefits manager shall ensure that the final reimbursement, after taking
28 into account any and all fees, charges, adjustments, or other reductions, including, but not
29 limited to, direct or indirect remuneration fees, administrative fees, performance based fees,
30 network access fees, or any other fees or adjustments, or other similar constructs, to an
31 eligible pharmacy for a prescription drug is in an amount equal to the national average drug
32 acquisition cost for the prescription drug at the time that such drug was dispensed, plus a
33 professional dispensing fee in an amount equal to the current Georgia Medicaid
34 professional dispensing fee as determined by the Department of Community Health. If the
35 national average drug acquisition cost at the time such drug was dispensed is not available,
36 a pharmacy benefits manager shall reimburse an eligible pharmacy in an amount equal to
37 the wholesale acquisition cost of the drug, as defined in 42 U.S.C.
38 Section 1395w-3a(c)(6)(B), on January 1, 2026, plus a professional dispensing fee in an
39 amount equal to the current Georgia Medicaid professional dispensing fee as determined
40 by the Department of Community Health. A pharmacy benefits manager shall exclude any
41 reimbursement made pursuant to this subsection from any effective rate guarantees. As
42 used in this subsection, the term 'effective rate guarantees' means a contractual provision

43 whereby a pharmacy benefits manager may adjust reimbursement rates to eligible
44 pharmacies for prescription drugs dispensed by any such pharmacy during a certain period
45 of time, ensuring that the pharmacy's overall reimbursement averages out to be a
46 predetermined rate.

47 (c) This Code section shall not apply to a state health plan, as such term is defined in Code
48 Section 45-18-22. This Code section shall also not apply to Medicaid under Chapter 4 of
49 Title 49, including Medicaid managed care programs administered through care
50 management organizations.

51 (d) Notwithstanding any other provision of this Code section, nothing herein shall be
52 construed to prohibit or restrict a pharmacy benefits manager from providing
53 reimbursement to a rural pharmacy in an amount exceeding the national average drug
54 acquisition cost for a prescription drug plus the professional dispensing fee otherwise
55 required under this Code section; provided, however, that this exception shall not apply to
56 affiliate, mail-order, and specialty pharmacies."

57 **SECTION 2.**

58 This Act shall become effective July 1, 2027.

59 **SECTION 3.**

60 All laws and parts of laws in conflict with this Act are repealed.