

1 AN ACT relating to Medicaid.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 205.5518 is amended to read as follows:

- 4 (1) Notwithstanding any provisions of law to the contrary, beginning on March 27,
5 2020, and continuing until December 31, 2020, a pharmacy benefit manager
6 contracted with a managed care organization to administer Medicaid benefits shall
7 not:
- 8 (a) Adjust, modify, change, or amend reimbursement methodologies, dispensing
9 fees, and any other fees paid by the pharmacy benefit manager to pharmacies
10 licensed in the Commonwealth;
 - 11 (b) Create, modify, implement, or indirectly establish any fee on a pharmacy,
12 pharmacist, or a Medicaid recipient in the Commonwealth; and
 - 13 (c) Make any adjustments, modifications, or changes to a pharmacy network for
14 the managed care organization with which~~[whom]~~ the pharmacy benefit
15 manager has contracted to administer Medicaid benefits.
- 16 (2) Notwithstanding any provisions of law to the contrary, beginning on March 27,
17 2020, and continuing until December 31, 2020, a pharmacy benefit manager
18 contracted with a managed care organization to administer Medicaid benefits shall:
- 19 (a) Administer, adjudicate, and, when appropriate, reimburse any pharmacy
20 benefit claim submitted to the managed care organization prior to the
21 termination of the contract between the pharmacy benefit manager and the
22 managed care organization in accordance with the contract between the
23 pharmacy benefit manager and the managed care organization; and
 - 24 (b) Not be released from its obligation to make any payments owed to a
25 pharmacy licensed in the Commonwealth for pharmacy services rendered
26 prior to the termination of the contract between the pharmacy benefit manager
27 and the managed care organization.

- 1 (3) The department shall impose a fine of twenty-five thousand dollars (\$25,000) per
2 day per separate violation on a pharmacy benefit manager who violates subsection
3 (1) or (2) of this section.