



Senate

General Assembly

January Session, 2013

File No. 116

Senate Bill No. 958

Senate, March 25, 2013

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING ELECTRONIC FUNDS TRANSFER
PAYMENTS BY PHARMACY BENEFITS MANAGERS TO
PHARMACIES.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-479eee of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective October 1, 2013*):

3 [The commissioner may conduct investigations and hold hearings
4 on any matter under the provisions of sections 38a-479aaa to 38a-
5 479hhh, inclusive. The commissioner may issue subpoenas, administer
6 oaths, compel testimony and order the production of books, records
7 and documents. If any person refuses to appear, to testify or to
8 produce any book, record, paper or document when so ordered, upon
9 application of the commissioner, a judge of the Superior Court may
10 make such order as may be appropriate to aid in the enforcement of
11 this section.] Upon written request from a pharmacy, a pharmacy
12 benefits manager shall pay claims to such pharmacy by electronic
13 funds transfer. Any such payments shall be made within the time

14 periods specified under section 38a-816.

15 Sec. 2. Section 38a-479hhh of the general statutes is repealed and the
16 following is substituted in lieu thereof (*Effective October 1, 2013*):

17 (a) The commissioner may conduct investigations and hold hearings
18 on any matter under the provisions of sections 38a-479aaa to 38a-
19 479hhh, inclusive, as amended by this act. The commissioner may
20 issue subpoenas, administer oaths, compel testimony and order the
21 production of books, records and documents. If any person refuses to
22 appear, to testify or to produce any book, record, paper or document
23 when so ordered, upon application of the commissioner, a judge of the
24 Superior Court may make such order as may be appropriate to aid in
25 the enforcement of this section.

26 (b) Any person aggrieved by an order or decision of the
27 commissioner under sections 38a-479aaa to 38a-479hhh, inclusive, as
28 amended by this act, may appeal therefrom in accordance with the
29 provisions of section 4-183.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013</i>	38a-479eee
Sec. 2	<i>October 1, 2013</i>	38a-479hhh

INS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

This bill requires pharmacy benefit managers to pay claims electronically at the request of the pharmacy. As this concerns the relations between private entities, there is no state or municipal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**SB 958*****AN ACT CONCERNING ELECTRONIC FUNDS TRANSFER PAYMENTS BY PHARMACY BENEFITS MANAGERS TO PHARMACIES.*****SUMMARY:**

This bill requires pharmacy benefits managers to pay claims to a pharmacy by electronic funds transfer upon the pharmacy's written request. The payment must be made within the time period specified under the insurers unfair trade practices act, generally within 20 days after receipt of the claim.

The bill allows the insurance commissioner to (1) conduct investigations and hold hearings and (2) issue subpoenas, administer oaths, compel testimony, and order the production of books, records, and documents with regard to this requirement. If any person refuses to appear, to testify, or to produce any book, record, paper, or document when so ordered, a Superior Court judge may make appropriate orders, upon application of the commissioner. Anyone aggrieved by the commissioner's order or decision can appeal to the courts.

EFFECTIVE DATE: October 1, 2013

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 16 Nay 2 (03/07/2013)