MN HOUSE RESEARCH

Bill Summary

H.F. 1516

As introduced

Subject	Alternative Biological Products
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Overview

This bill prohibits pharmacy benefit managers (PBMs) and health carriers from requiring or demonstrating a preference for a pharmacy or provider to prescribe or dispense a reference biological product or a biosimilar or interchangeable product. The bill requires coverage of all of these products, if one of the products is covered. The bill also requires the commissioner of health to analyze the effect of the bill on the net price for different payors of various biological products.

Summary

Section	Description
1	**Alternative biological products.** Adds § 62W.0751. **Subd. 1. Definitions.** Defines the following terms: biological product, biosimilar or biosimilar product, interchangeable biological product, and reference biological product. **Subd. 2. Pharmacy and provider choice related to dispensing reference biological products, interchangeable biological products, or biosimilar products.** (a) Prohibits a PBM or health carrier from requiring or demonstrating a preference for a pharmacy or health care provider to prescribe or dispense any of the following: 1) a reference biological product; 2) any product that is biosimilar to the reference product; or 3) any product that is an interchangeable biological product, relative to the reference product. (b) If a PBM or health carrier elects coverage of a product listed in paragraph (a), clauses (1) to (3), requires the PBM or health carrier to also elect coverage of all of the products listed in paragraph (a), clauses (1) to (3).

Section	Description

(c) States that nothing in this section requires switching from a prescribed product listed in paragraph (a), clauses (1) to (3), to another product listed in paragraph (a), clauses (1) to (3) that has a higher retail price.

(d) Provides that the section does not apply to MA, MinnesotaCare, or SEGIP coverage.

Provides a January 1, 2022, effective date.

2 **Biosimilar product.**

Amends § 151.01, by adding subd. 43. Defines "biosimilar" or "biosimilar product" as a biological product that the FDA has:

1) licensed and determined to be biosimilar;
2) determined to be biosimilar in the most recent edition or supplement of a specified FDA publication; or
3) determined to be therapeutically equivalent in the most recent edition or supplement of a specified FDA publication.

Provides a January 1, 2022, effective date.

3 **Reference biological product.**

Amends § 151.01, by adding subd. 44. Defines "reference biological product" as the single biological product for which the FDA has approved an initial biological product license application, against which other biological products are evaluated for licensure as biosimilar or interchangeable. Provides a January 1, 2022, effective date.

4 **Study of pharmacy and provider choice of biological products.**

Requires the commissioner of health, within the limits of existing resources, to analyze the effect of section 62W.0751 on the net price for different payors of biological products, interchangeable biological products, and biosimilar products. Requires the commissioner to report to the legislature by December 15, 2023.