

Subject Clinician-administered drugs

Authors Freiberg and others

Analyst Randall Chun

Date February 27, 2023

Overview

This bill prohibits a pharmacy benefit manager (PBM) or health carrier from requiring that a clinician-administered drug or its administration be covered as a pharmacy benefit. The bill also sets other requirements that PBMs and health carriers must comply with when providing coverage and reimbursement for clinician-administered drugs. This bill in part addresses what is sometimes called “white bagging” — a process under which a specialty pharmacy ships a prescription directly to a health care provider, to be held by that provider until the patient receives treatment from the provider. This can be contrasted with a “buy-and-bill” process under which a health care provider directly purchases the prescription drug and then administers that drug to the patient.

Summary

Section	Description
---------	-------------

1	Clinician-administered drugs.
---	--------------------------------------

Adds § 62W.15.

Subd. 1. Definitions. Defines “affiliated pharmacy” and “clinician-administered drug.”

Subd. 2. Prohibition on requiring coverage as a pharmacy benefit. Prohibits a PBM or health carrier from requiring that a clinician-administered drug, or the administration of a clinician-administered drug, be covered as a pharmacy benefit.

Subd. 3. Enrollee choice. Provides that a PBM or health carrier:

- 1) shall permit an enrollee to obtain a clinician-administered drug from a health care provider authorized to administer the drug, or a pharmacy;

Section	Description
---------	-------------

- 2) shall not interfere with the enrollee's right to obtain the clinician-administered drug from their provider or pharmacy of choice, and shall not offer financial or other incentives to influence the enrollee's choice;
- 3) shall not require the clinician-administered drug to be dispensed by a pharmacy selected by the PBM or health carrier; and
- 4) shall not limit or exclude coverage for a clinician-administered drug when it is not dispensed by a pharmacy selected by the PBM or health carrier, if the drug would otherwise be covered.

Subd. 4. Cost-sharing and reimbursement. Provides that a PBM or health carrier:

- 1) may impose coverage or benefit limitations on an enrollee who obtains a clinician-administered drug from a health care provider or pharmacy, only if these limitations would also be imposed if the drug was obtained from an affiliated pharmacy or a pharmacy selected by the PBM or health carrier;
- 2) may impose cost-sharing requirements on an enrollee who obtains a clinician-administered drug from a health care provider or pharmacy, only if this cost-sharing would also be imposed if the drug was obtained from an affiliated pharmacy or a pharmacy selected by the PBM or health carrier; and
- 3) shall not reimburse a health care provider or pharmacy for clinician-administered drugs and their administration at an amount that is lower than would apply to an affiliated pharmacy or pharmacy selected by the PBM or health carrier.

Subd. 5. Other requirements. Provides that a PBM or health carrier:

- 1) shall not require or encourage the dispensing of a clinician-administered drug in a manner inconsistent with supply chain security controls and chain of distribution set by the Drug Supply Chain Security Act;
- 2) shall not require a specialty pharmacy to dispense a clinician-administered medication directly to a patient with the intent that the patient transport the medication to a health care provider for administration; and
- 3) may offer, but shall not require, the use of a home infusion pharmacy to dispense or administer clinician-administered drugs to enrollees, and the use of an infusion site external to the provider's office or clinic.



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155