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**Act No. 193 (S.92). Health; prescription drugs; pharmacists; health insurers; pharmacy benefit managers**

**An act relating to prescription drug price transparency and cost containment**

This act directs a pharmacist who receives a patient's prescription for a biological product to dispense to the patient the lowest-price interchangeable biological product, if one exists, and to notify the prescriber about the specific biological product dispensed. It requires health insurance plans to apply the same cost-sharing requirements to interchangeable biological products as apply to generic drugs under the plan. It also requires health insurers to report certain information to the Green Mountain Care Board about their plans' spending on prescription drugs and the effect of prescription drug costs on the premiums for their plans.

The act expands the provisions of Vermont's prescription drug transparency law to require the Department of Vermont Health Access and health insurers with more than 5,000 covered lives in Vermont to create lists of 10 prescription drugs for which the payer's net cost has increased by 50 percent or more over the past five years or 15 percent or more over the past calendar year. Of the drugs listed by the Department and the insurers, the Office of the Attorney General will identify 15 drugs for which the drugs' manufacturers must provide a justification for the price increase or increases. Each manufacturer must also provide a separate version of its justification that will be made public.

The act requires prescription drug manufacturers to notify the Office of the Attorney General if they are introducing a new, high-cost prescription drug to the market. It prohibits pharmacy benefit managers from prohibiting or penalizing a pharmacy or pharmacist for providing information to an insured about the insured's cost-sharing amount for a prescription drug, disclosing to an insured the cash price of a prescription drug, or selling a lower-cost drug to an insured if one is available. The act also creates a working group to look at prescription drug pricing throughout the supply chain to identify opportunities for savings and for increasing price transparency.

Multiple effective dates, beginning on May 30, 2018