

SENATE, No. 2438

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED APRIL 5, 2018

Sponsored by:

Senator PATRICK J. DIEGNAN, JR.

District 18 (Middlesex)

Senator JOSEPH P. CRYAN

District 20 (Union)

SYNOPSIS

Requires certain language prohibiting “gag clauses” in contracts between pharmacy benefits managers and pharmacists.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 4/13/2018)

1 AN ACT concerning pharmacy benefits managers and
2 supplementing P.L.2015, c.179 (C.17B:27F-1 et seq.).
3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*
6

7 1. A pharmacy benefits manager shall include in any contract
8 between the pharmacy benefits manager and a pharmacy, language
9 that permits the pharmacy to disclose to a covered person lower cost
10 prescription drug options, including those that are available to the
11 covered person if the covered person purchases the prescription
12 drug without using health insurance coverage.
13

14 2. This act shall take effect on the 90th day next following
15 enactment.
16
17

18 STATEMENT
19

20 This bill prohibits “gag clauses” by requiring a pharmacy
21 benefits manager to include in any contract between the pharmacy
22 benefits manager and a pharmacy in the State, language that permits
23 the pharmacy to disclose to a covered person lower cost
24 prescription drug options, including those that are available to the
25 covered person if the covered person purchases the prescription
26 drug without using health insurance coverage.

27 Reportedly, some pharmacy benefits managers place “gag
28 clause” provisions in contracts with pharmacies that prohibit
29 pharmacists from disclosing to covered persons that the covered
30 person’s health insurance copayment for a prescription drug
31 exceeds the amount that the pharmacy would charge to persons who
32 do not purchase the drug through their health insurance coverage.
33 The bill would prohibit such “gag clauses” in those contracts.