

# MAC Law Bill of Rights

S. 849 - Signed into Law on May 2, 2016

**Effective Date: 01/01/2016** – Impacts all ‘new’ and ‘renewed’ contracts from this point on.

## **Section 38-71-2110 (A) – Definitions:**

(8) ‘**Network Providers**’ – means those pharmacists and pharmacies who provide covered health care services and supplies to an insured or a member pursuant to a contract

## **Section 38-71-2120 – Drug placement on a maximum allowable cost (MAC) list:**

A PBM **MUST** ensure that the MAC’s drug is:

- (1) Listed as ‘A’ or ‘B’ rated (FDA Orange Book) or has an ‘NR’ or ‘NA’ rating by a nationally recognized reference;
- (2) Generally available for purchase by pharmacies in the State from a national or regional wholesaler;
- (3) Not obsolete.

## **Section 38-71-2130 – MAC pricing List Availability:**

A PBM **MUST**:

- (1) Make available to each ‘network provider’ (pharmacy/pharmacist) at the beginning of a contract term and upon renewals, the sources utilized to determine the MAC pricing;
- (2) Provide a process to readily access the MAC cost specific to that provider;
- (3) Review and update MAC pricing information at least once every seven (7) business days to reflect any modification of MAC pricing; and
- (4) Ensure ‘**dispensing fees**’ are **NOT** included in the calculation of MAC prices.

## **Section 38=71-2140 – Appeals Process:**

- (A) PBMs **MUST** establish a process for a contracted pharmacy to appeal a MAC price reimbursement. The Pharmacy has ten (10) calendar days to appeal a MAC price is less than the ‘net’ amount paid by the pharmacy to their supplier of the drug. The PBM **MUST** respond to the appeal within ten (10) calendar days;
- (B) Upon the beginning of a contract and each renewal, the PBM **MUST** provide contracted pharmacies with a telephone number to the PBM to process a MAC price appeal;
- (C) If an appeal is denied, the PBM **MUST** provide a reason for denial and the name and NDC# of the drug from a national or regional wholesaler operating in South Carolina;
- (D) If the appeal is sustained, the PBM **MUST** make adjustment to drug price effective the date of the challenge for all applicable similarly situated network pharmacy providers.