



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

**HB3794**

Introduced 2/18/2025, by Rep. Ryan Spain

#### SYNOPSIS AS INTRODUCED:

5 ILCS 140/7.5  
215 ILCS 5/513b1  
225 ILCS 85/19.5

Amends the Pharmacy Benefit Manager Article of the Illinois Insurance Code. Provides that a covered individual's defined cost sharing for each prescription drug shall be calculated at the point of sale based on a price that is reduced by an amount equal to at least 80% of all rebates received, or to be received, or to be received, in connection with the dispensing or administration of the prescription drug. Provides that a health insurer or its agents shall not publish or otherwise reveal information regarding the actual amount of rebates a health insurer receives on a product or therapeutic class of products, manufacturer-specific basis, or pharmacy-specific basis and that the information is confidential. Defines terms. Amends the Freedom of Information Act to make a conforming change. Amends the Pharmacy Practice Act. Provides that a pharmacist may substitute a biological product (instead of an interchangeable biological product) if, among other requirements, the product being considered for substitution is either the reference product or a product approved by the United States Food and Drug Administration as a biosimilar of the prescribed biological product (instead of if the substituted product has been determined by the United States Food and Drug Administration to be interchangeable with the prescribed biological product). Makes conforming changes.

LRB104 10437 BAB 20512 b

1 AN ACT concerning prescription drugs.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Freedom of Information Act is amended by  
5 changing Section 7.5 as follows:

6 (5 ILCS 140/7.5)

7 Sec. 7.5. Statutory exemptions. To the extent provided for  
8 by the statutes referenced below, the following shall be  
9 exempt from inspection and copying:

10 (a) All information determined to be confidential  
11 under Section 4002 of the Technology Advancement and  
12 Development Act.

13 (b) Library circulation and order records identifying  
14 library users with specific materials under the Library  
15 Records Confidentiality Act.

16 (c) Applications, related documents, and medical  
17 records received by the Experimental Organ Transplantation  
18 Procedures Board and any and all documents or other  
19 records prepared by the Experimental Organ Transplantation  
20 Procedures Board or its staff relating to applications it  
21 has received.

22 (d) Information and records held by the Department of  
23 Public Health and its authorized representatives relating

1 to known or suspected cases of sexually transmitted  
2 infection or any information the disclosure of which is  
3 restricted under the Illinois Sexually Transmitted  
4 Infection Control Act.

5 (e) Information the disclosure of which is exempted  
6 under Section 30 of the Radon Industry Licensing Act.

7 (f) Firm performance evaluations under Section 55 of  
8 the Architectural, Engineering, and Land Surveying  
9 Qualifications Based Selection Act.

10 (g) Information the disclosure of which is restricted  
11 and exempted under Section 50 of the Illinois Prepaid  
12 Tuition Act.

13 (h) Information the disclosure of which is exempted  
14 under the State Officials and Employees Ethics Act, and  
15 records of any lawfully created State or local inspector  
16 general's office that would be exempt if created or  
17 obtained by an Executive Inspector General's office under  
18 that Act.

19 (i) Information contained in a local emergency energy  
20 plan submitted to a municipality in accordance with a  
21 local emergency energy plan ordinance that is adopted  
22 under Section 11-21.5-5 of the Illinois Municipal Code.

23 (j) Information and data concerning the distribution  
24 of surcharge moneys collected and remitted by carriers  
25 under the Emergency Telephone System Act.

26 (k) Law enforcement officer identification information

1 or driver identification information compiled by a law  
2 enforcement agency or the Department of Transportation  
3 under Section 11-212 of the Illinois Vehicle Code.

4 (l) Records and information provided to a residential  
5 health care facility resident sexual assault and death  
6 review team or the Executive Council under the Abuse  
7 Prevention Review Team Act.

8 (m) Information provided to the predatory lending  
9 database created pursuant to Article 3 of the Residential  
10 Real Property Disclosure Act, except to the extent  
11 authorized under that Article.

12 (n) Defense budgets and petitions for certification of  
13 compensation and expenses for court appointed trial  
14 counsel as provided under Sections 10 and 15 of the  
15 Capital Crimes Litigation Act (repealed). This subsection  
16 (n) shall apply until the conclusion of the trial of the  
17 case, even if the prosecution chooses not to pursue the  
18 death penalty prior to trial or sentencing.

19 (o) Information that is prohibited from being  
20 disclosed under Section 4 of the Illinois Health and  
21 Hazardous Substances Registry Act.

22 (p) Security portions of system safety program plans,  
23 investigation reports, surveys, schedules, lists, data, or  
24 information compiled, collected, or prepared by or for the  
25 Department of Transportation under Sections 2705-300 and  
26 2705-616 of the Department of Transportation Law of the

1 Civil Administrative Code of Illinois, the Regional  
2 Transportation Authority under Section 2.11 of the  
3 Regional Transportation Authority Act, or the St. Clair  
4 County Transit District under the Bi-State Transit Safety  
5 Act (repealed).

6 (q) Information prohibited from being disclosed by the  
7 Personnel Record Review Act.

8 (r) Information prohibited from being disclosed by the  
9 Illinois School Student Records Act.

10 (s) Information the disclosure of which is restricted  
11 under Section 5-108 of the Public Utilities Act.

12 (t) (Blank).

13 (u) Records and information provided to an independent  
14 team of experts under the Developmental Disability and  
15 Mental Health Safety Act (also known as Brian's Law).

16 (v) Names and information of people who have applied  
17 for or received Firearm Owner's Identification Cards under  
18 the Firearm Owners Identification Card Act or applied for  
19 or received a concealed carry license under the Firearm  
20 Concealed Carry Act, unless otherwise authorized by the  
21 Firearm Concealed Carry Act; and databases under the  
22 Firearm Concealed Carry Act, records of the Concealed  
23 Carry Licensing Review Board under the Firearm Concealed  
24 Carry Act, and law enforcement agency objections under the  
25 Firearm Concealed Carry Act.

26 (v-5) Records of the Firearm Owner's Identification

1 Card Review Board that are exempted from disclosure under  
2 Section 10 of the Firearm Owners Identification Card Act.

3 (w) Personally identifiable information which is  
4 exempted from disclosure under subsection (g) of Section  
5 19.1 of the Toll Highway Act.

6 (x) Information which is exempted from disclosure  
7 under Section 5-1014.3 of the Counties Code or Section  
8 8-11-21 of the Illinois Municipal Code.

9 (y) Confidential information under the Adult  
10 Protective Services Act and its predecessor enabling  
11 statute, the Elder Abuse and Neglect Act, including  
12 information about the identity and administrative finding  
13 against any caregiver of a verified and substantiated  
14 decision of abuse, neglect, or financial exploitation of  
15 an eligible adult maintained in the Registry established  
16 under Section 7.5 of the Adult Protective Services Act.

17 (z) Records and information provided to a fatality  
18 review team or the Illinois Fatality Review Team Advisory  
19 Council under Section 15 of the Adult Protective Services  
20 Act.

21 (aa) Information which is exempted from disclosure  
22 under Section 2.37 of the Wildlife Code.

23 (bb) Information which is or was prohibited from  
24 disclosure by the Juvenile Court Act of 1987.

25 (cc) Recordings made under the Law Enforcement  
26 Officer-Worn Body Camera Act, except to the extent

1 authorized under that Act.

2 (dd) Information that is prohibited from being  
3 disclosed under Section 45 of the Condominium and Common  
4 Interest Community Ombudsperson Act.

5 (ee) Information that is exempted from disclosure  
6 under Section 30.1 of the Pharmacy Practice Act.

7 (ff) Information that is exempted from disclosure  
8 under the Revised Uniform Unclaimed Property Act.

9 (gg) Information that is prohibited from being  
10 disclosed under Section 7-603.5 of the Illinois Vehicle  
11 Code.

12 (hh) Records that are exempt from disclosure under  
13 Section 1A-16.7 of the Election Code.

14 (ii) Information which is exempted from disclosure  
15 under Section 2505-800 of the Department of Revenue Law of  
16 the Civil Administrative Code of Illinois.

17 (jj) Information and reports that are required to be  
18 submitted to the Department of Labor by registering day  
19 and temporary labor service agencies but are exempt from  
20 disclosure under subsection (a-1) of Section 45 of the Day  
21 and Temporary Labor Services Act.

22 (kk) Information prohibited from disclosure under the  
23 Seizure and Forfeiture Reporting Act.

24 (ll) Information the disclosure of which is restricted  
25 and exempted under Section 5-30.8 of the Illinois Public  
26 Aid Code.

1 (mm) Records that are exempt from disclosure under  
2 Section 4.2 of the Crime Victims Compensation Act.

3 (nn) Information that is exempt from disclosure under  
4 Section 70 of the Higher Education Student Assistance Act.

5 (oo) Communications, notes, records, and reports  
6 arising out of a peer support counseling session  
7 prohibited from disclosure under the First Responders  
8 Suicide Prevention Act.

9 (pp) Names and all identifying information relating to  
10 an employee of an emergency services provider or law  
11 enforcement agency under the First Responders Suicide  
12 Prevention Act.

13 (qq) Information and records held by the Department of  
14 Public Health and its authorized representatives collected  
15 under the Reproductive Health Act.

16 (rr) Information that is exempt from disclosure under  
17 the Cannabis Regulation and Tax Act.

18 (ss) Data reported by an employer to the Department of  
19 Human Rights pursuant to Section 2-108 of the Illinois  
20 Human Rights Act.

21 (tt) Recordings made under the Children's Advocacy  
22 Center Act, except to the extent authorized under that  
23 Act.

24 (uu) Information that is exempt from disclosure under  
25 Section 50 of the Sexual Assault Evidence Submission Act.

26 (vv) Information that is exempt from disclosure under

1 subsections (f) and (j) of Section 5-36 of the Illinois  
2 Public Aid Code.

3 (ww) Information that is exempt from disclosure under  
4 Section 16.8 of the State Treasurer Act.

5 (xx) Information that is exempt from disclosure or  
6 information that shall not be made public under the  
7 Illinois Insurance Code.

8 (yy) Information prohibited from being disclosed under  
9 the Illinois Educational Labor Relations Act.

10 (zz) Information prohibited from being disclosed under  
11 the Illinois Public Labor Relations Act.

12 (aaa) Information prohibited from being disclosed  
13 under Section 1-167 of the Illinois Pension Code.

14 (bbb) Information that is prohibited from disclosure  
15 by the Illinois Police Training Act and the Illinois State  
16 Police Act.

17 (ccc) Records exempt from disclosure under Section  
18 2605-304 of the Illinois State Police Law of the Civil  
19 Administrative Code of Illinois.

20 (ddd) Information prohibited from being disclosed  
21 under Section 35 of the Address Confidentiality for  
22 Victims of Domestic Violence, Sexual Assault, Human  
23 Trafficking, or Stalking Act.

24 (eee) Information prohibited from being disclosed  
25 under subsection (b) of Section 75 of the Domestic  
26 Violence Fatality Review Act.

1           (fff) Images from cameras under the Expressway Camera  
2 Act. This subsection (fff) is inoperative on and after  
3 July 1, 2025.

4           (ggg) Information prohibited from disclosure under  
5 paragraph (3) of subsection (a) of Section 14 of the Nurse  
6 Agency Licensing Act.

7           (hhh) Information submitted to the Illinois State  
8 Police in an affidavit or application for an assault  
9 weapon endorsement, assault weapon attachment endorsement,  
10 .50 caliber rifle endorsement, or .50 caliber cartridge  
11 endorsement under the Firearm Owners Identification Card  
12 Act.

13           (iii) Data exempt from disclosure under Section 50 of  
14 the School Safety Drill Act.

15           (jjj) Information exempt from disclosure under Section  
16 30 of the Insurance Data Security Law.

17           (kkk) Confidential business information prohibited  
18 from disclosure under Section 45 of the Paint Stewardship  
19 Act.

20           (lll) Data exempt from disclosure under Section  
21 2-3.196 of the School Code.

22           (mmm) Information prohibited from being disclosed  
23 under subsection (e) of Section 1-129 of the Illinois  
24 Power Agency Act.

25           (nnn) Materials received by the Department of Commerce  
26 and Economic Opportunity that are confidential under the

1 Music and Musicians Tax Credit and Jobs Act.

2 (ooo) ~~(nnn)~~ Data or information provided pursuant to  
3 Section 20 of the Statewide Recycling Needs and Assessment  
4 Act.

5 (ppp) ~~(nnn)~~ Information that is exempt from disclosure  
6 under Section 28-11 of the Lawful Health Care Activity  
7 Act.

8 (qqq) ~~(nnn)~~ Information that is exempt from disclosure  
9 under Section 7-101 of the Illinois Human Rights Act.

10 (rrr) ~~(mmm)~~ Information prohibited from being  
11 disclosed under Section 4-2 of the Uniform Money  
12 Transmission Modernization Act.

13 (sss) ~~(nnn)~~ Information exempt from disclosure under  
14 Section 40 of the Student-Athlete Endorsement Rights Act.

15 (ttt) Information prohibited from being disclosed  
16 under subsection (g-5) of Section 513b1 of the Illinois  
17 Insurance Code.

18 (Source: P.A. 102-36, eff. 6-25-21; 102-237, eff. 1-1-22;  
19 102-292, eff. 1-1-22; 102-520, eff. 8-20-21; 102-559, eff.  
20 8-20-21; 102-813, eff. 5-13-22; 102-946, eff. 7-1-22;  
21 102-1042, eff. 6-3-22; 102-1116, eff. 1-10-23; 103-8, eff.  
22 6-7-23; 103-34, eff. 6-9-23; 103-142, eff. 1-1-24; 103-372,  
23 eff. 1-1-24; 103-472, eff. 8-1-24; 103-508, eff. 8-4-23;  
24 103-580, eff. 12-8-23; 103-592, eff. 6-7-24; 103-605, eff.  
25 7-1-24; 103-636, eff. 7-1-24; 103-724, eff. 1-1-25; 103-786,  
26 eff. 8-7-24; 103-859, eff. 8-9-24; 103-991, eff. 8-9-24;

1 103-1049, eff. 8-9-24; revised 11-26-24.)

2 Section 10. The Illinois Insurance Code is amended by  
3 changing Section 513b1 as follows:

4 (215 ILCS 5/513b1)

5 Sec. 513b1. Pharmacy benefit manager contracts.

6 (a) As used in this Section:

7 "340B drug discount program" means the program established  
8 under Section 340B of the federal Public Health Service Act,  
9 42 U.S.C. 256b.

10 "340B entity" means a covered entity as defined in 42  
11 U.S.C. 256b(a)(4) authorized to participate in the 340B drug  
12 discount program.

13 "340B pharmacy" means any pharmacy used to dispense 340B  
14 drugs for a covered entity, whether entity-owned or external.

15 "Biological product" has the meaning ascribed to that term  
16 in Section 19.5 of the Pharmacy Practice Act.

17 "Defined cost sharing" means a deductible payment or  
18 coinsurance amount imposed on an enrollee for a covered  
19 prescription drug under the enrollee's health benefit plan.

20 "Maximum allowable cost" means the maximum amount that a  
21 pharmacy benefit manager will reimburse a pharmacy for the  
22 cost of a drug.

23 "Maximum allowable cost list" means a list of drugs for  
24 which a maximum allowable cost has been established by a

1 pharmacy benefit manager.

2 "Pharmacy benefit manager" means a person, business, or  
3 entity, including a wholly or partially owned or controlled  
4 subsidiary of a pharmacy benefit manager, that provides claims  
5 processing services or other prescription drug or device  
6 services, or both, for health benefit plans.

7 "Price protection rebate" means a negotiated price  
8 concession that accrues directly or indirectly to a health  
9 insurer, or other party on behalf of the health insurer, if  
10 there is an increase in the wholesale acquisition cost of a  
11 prescription drug above a specified threshold.

12 "Rebate" means:

13 (1) a negotiated price concession, including, without  
14 limitation, base price concessions, whether described as a  
15 rebate or not, reasonable estimates of any price  
16 protection rebates, or performance-based price concessions  
17 that may accrue, directly or indirectly, to the health  
18 insurer during the coverage year from a manufacturer or  
19 other party in connection with the dispensing or  
20 administration of a prescription drug; or

21 (2) any reasonable estimate of a negotiated price  
22 concession, fee, or other administrative cost that is  
23 passed through, or is reasonably anticipated to be passed  
24 through, to the health insurer and serves to reduce the  
25 health insurer's liabilities for a prescription drug.

26 "Retail price" means the price an individual without

1 prescription drug coverage would pay at a retail pharmacy, not  
2 including a pharmacist dispensing fee.

3 "Third-party payer" means any entity that pays for  
4 prescription drugs on behalf of a patient other than a health  
5 care provider or sponsor of a plan subject to regulation under  
6 Medicare Part D, 42 U.S.C. 1395w-101 et seq.

7 (b) A contract between a health insurer and a pharmacy  
8 benefit manager must require that the pharmacy benefit  
9 manager:

10 (1) Update maximum allowable cost pricing information  
11 at least every 7 calendar days.

12 (2) Maintain a process that will, in a timely manner,  
13 eliminate drugs from maximum allowable cost lists or  
14 modify drug prices to remain consistent with changes in  
15 pricing data used in formulating maximum allowable cost  
16 prices and product availability.

17 (3) Provide access to its maximum allowable cost list  
18 to each pharmacy or pharmacy services administrative  
19 organization subject to the maximum allowable cost list.  
20 Access may include a real-time pharmacy website portal to  
21 be able to view the maximum allowable cost list. As used in  
22 this Section, "pharmacy services administrative  
23 organization" means an entity operating within the State  
24 that contracts with independent pharmacies to conduct  
25 business on their behalf with third-party payers. A  
26 pharmacy services administrative organization may provide

1 administrative services to pharmacies and negotiate and  
2 enter into contracts with third-party payers or pharmacy  
3 benefit managers on behalf of pharmacies.

4 (4) Provide a process by which a contracted pharmacy  
5 can appeal the provider's reimbursement for a drug subject  
6 to maximum allowable cost pricing. The appeals process  
7 must, at a minimum, include the following:

8 (A) A requirement that a contracted pharmacy has  
9 14 calendar days after the applicable fill date to  
10 appeal a maximum allowable cost if the reimbursement  
11 for the drug is less than the net amount that the  
12 network provider paid to the supplier of the drug.

13 (B) A requirement that a pharmacy benefit manager  
14 must respond to a challenge within 14 calendar days of  
15 the contracted pharmacy making the claim for which the  
16 appeal has been submitted.

17 (C) A telephone number and e-mail address or  
18 website to network providers, at which the provider  
19 can contact the pharmacy benefit manager to process  
20 and submit an appeal.

21 (D) A requirement that, if an appeal is denied,  
22 the pharmacy benefit manager must provide the reason  
23 for the denial and the name and the national drug code  
24 number from national or regional wholesalers.

25 (E) A requirement that, if an appeal is sustained,  
26 the pharmacy benefit manager must make an adjustment

1 in the drug price effective the date the challenge is  
2 resolved and make the adjustment applicable to all  
3 similarly situated network pharmacy providers, as  
4 determined by the managed care organization or  
5 pharmacy benefit manager.

6 (5) Allow a plan sponsor contracting with a pharmacy  
7 benefit manager an annual right to audit compliance with  
8 the terms of the contract by the pharmacy benefit manager,  
9 including, but not limited to, full disclosure of any and  
10 all rebate amounts secured, whether product specific or  
11 generalized rebates, that were provided to the pharmacy  
12 benefit manager by a pharmaceutical manufacturer.

13 (6) Allow a plan sponsor contracting with a pharmacy  
14 benefit manager to request that the pharmacy benefit  
15 manager disclose the actual amounts paid by the pharmacy  
16 benefit manager to the pharmacy.

17 (7) Provide notice to the party contracting with the  
18 pharmacy benefit manager of any consideration that the  
19 pharmacy benefit manager receives from the manufacturer  
20 for dispense as written prescriptions once a generic or  
21 biologically similar product becomes available.

22 (c) In order to place a particular prescription drug on a  
23 maximum allowable cost list, the pharmacy benefit manager  
24 must, at a minimum, ensure that:

25 (1) if the drug is a generically equivalent drug, it  
26 is listed as therapeutically equivalent and

1           pharmaceutically equivalent "A" or "B" rated in the United  
2           States Food and Drug Administration's most recent version  
3           of the "Orange Book" or have an NR or NA rating by  
4           Medi-Span, Gold Standard, or a similar rating by a  
5           nationally recognized reference;

6           (2) the drug is available for purchase by each  
7           pharmacy in the State from national or regional  
8           wholesalers operating in Illinois; and

9           (3) the drug is not obsolete.

10          (d) A pharmacy benefit manager is prohibited from limiting  
11          a pharmacist's ability to disclose whether the cost-sharing  
12          obligation exceeds the retail price for a covered prescription  
13          drug, and the availability of a more affordable alternative  
14          drug, if one is available in accordance with Section 42 of the  
15          Pharmacy Practice Act.

16          (e) A health insurer or pharmacy benefit manager shall not  
17          require an insured to make a payment for a prescription drug at  
18          the point of sale in an amount that exceeds the lesser of:

19               (1) the applicable cost-sharing amount; or

20               (2) the retail price of the drug in the absence of  
21          prescription drug coverage.

22          (f) Unless required by law, a contract between a pharmacy  
23          benefit manager or third-party payer and a 340B entity or 340B  
24          pharmacy shall not contain any provision that:

25               (1) distinguishes between drugs purchased through the  
26          340B drug discount program and other drugs when

1 determining reimbursement or reimbursement methodologies,  
2 or contains otherwise less favorable payment terms or  
3 reimbursement methodologies for 340B entities or 340B  
4 pharmacies when compared to similarly situated non-340B  
5 entities;

6 (2) imposes any fee, chargeback, or rate adjustment  
7 that is not similarly imposed on similarly situated  
8 pharmacies that are not 340B entities or 340B pharmacies;

9 (3) imposes any fee, chargeback, or rate adjustment  
10 that exceeds the fee, chargeback, or rate adjustment that  
11 is not similarly imposed on similarly situated pharmacies  
12 that are not 340B entities or 340B pharmacies;

13 (4) prevents or interferes with an individual's choice  
14 to receive a covered prescription drug from a 340B entity  
15 or 340B pharmacy through any legally permissible means,  
16 except that nothing in this paragraph shall prohibit the  
17 establishment of differing copayments or other  
18 cost-sharing amounts within the benefit plan for covered  
19 persons who acquire covered prescription drugs from a  
20 nonpreferred or nonparticipating provider;

21 (5) excludes a 340B entity or 340B pharmacy from a  
22 pharmacy network on any basis that includes consideration  
23 of whether the 340B entity or 340B pharmacy participates  
24 in the 340B drug discount program;

25 (6) prevents a 340B entity or 340B pharmacy from using  
26 a drug purchased under the 340B drug discount program; or

1           (7) any other provision that discriminates against a  
2           340B entity or 340B pharmacy by treating the 340B entity  
3           or 340B pharmacy differently than non-340B entities or  
4           non-340B pharmacies for any reason relating to the  
5           entity's participation in the 340B drug discount program.

6           (g-5) A covered individual's defined cost sharing for  
7           each prescription drug shall be calculated at the point of  
8           sale based on a price that is reduced by an amount equal to at  
9           least 80% of all rebates received or to be received in  
10           connection with the dispensing or administration of the  
11           prescription drug.

12           In complying with this Section, a health insurer or its  
13           agents shall not publish or otherwise reveal information  
14           regarding the actual amount of rebates a health insurer  
15           receives on a product or therapeutic class of products,  
16           manufacturer-specific basis, or pharmacy-specific basis. The  
17           information described in this subsection is: (i) considered  
18           protected as a trade secret; (ii) considered proprietary and  
19           confidential; (iii) not subject to disclosure under the  
20           federal Freedom of Information Act or the Freedom of  
21           Information Act; and (iv) not to be disclosed directly,  
22           indirectly, or in a manner that would either allow for the  
23           identification of an individual product, therapeutic class of  
24           products, or manufacturer or have the potential to compromise  
25           the financial, competitive, or proprietary nature of the  
26           information. A health insurer shall impose the confidentiality

1 protections of this subsection on any vendor or other third  
2 party that performs health care or administrative services on  
3 behalf of the health insurer that may receive or have access to  
4 rebate information.

5 Nothing in this subsection precludes a pharmacy benefit  
6 manager or insurer from reducing an insured's cost sharing by  
7 an amount greater than that required under this subsection.

8 As used in this subsection, "pharmacy benefit manager" and  
9 "third-party payer" do not include pharmacy benefit managers  
10 and third-party payers acting on behalf of a Medicaid program.

11 (g) A violation of this Section by a pharmacy benefit  
12 manager constitutes an unfair or deceptive act or practice in  
13 the business of insurance under Section 424.

14 (h) A provision that violates subsection (f) in a contract  
15 between a pharmacy benefit manager or a third-party payer and  
16 a 340B entity that is entered into, amended, or renewed after  
17 July 1, 2022 shall be void and unenforceable.

18 (i)(1) A pharmacy benefit manager may not retaliate  
19 against a pharmacist or pharmacy for disclosing information in  
20 a court, in an administrative hearing, before a legislative  
21 commission or committee, or in any other proceeding, if the  
22 pharmacist or pharmacy has reasonable cause to believe that  
23 the disclosed information is evidence of a violation of a  
24 State or federal law, rule, or regulation.

25 (2) A pharmacy benefit manager may not retaliate against a  
26 pharmacist or pharmacy for disclosing information to a

1 government or law enforcement agency, if the pharmacist or  
2 pharmacy has reasonable cause to believe that the disclosed  
3 information is evidence of a violation of a State or federal  
4 law, rule, or regulation.

5 (3) A pharmacist or pharmacy shall make commercially  
6 reasonable efforts to limit the disclosure of confidential and  
7 proprietary information.

8 (4) Retaliatory actions against a pharmacy or pharmacist  
9 include cancellation of, restriction of, or refusal to renew  
10 or offer a contract to a pharmacy solely because the pharmacy  
11 or pharmacist has:

12 (A) made disclosures of information that the  
13 pharmacist or pharmacy has reasonable cause to believe is  
14 evidence of a violation of a State or federal law, rule, or  
15 regulation;

16 (B) filed complaints with the plan or pharmacy benefit  
17 manager; or

18 (C) filed complaints against the plan or pharmacy  
19 benefit manager with the Department.

20 (j) This Section applies to contracts entered into or  
21 renewed on or after July 1, 2022, except that subsection (g-5)  
22 applies to contracts entered into or renewed on or after  
23 January 1, 2026.

24 (k) This Section applies to any group or individual policy  
25 of accident and health insurance or managed care plan that  
26 provides coverage for prescription drugs and that is amended,

1 delivered, issued, or renewed on or after July 1, 2020.

2 (Source: P.A. 102-778, eff. 7-1-22; 103-154, eff. 6-30-23;  
3 103-453, eff. 8-4-23.)

4 Section 15. The Pharmacy Practice Act is amended by  
5 changing Section 19.5 as follows:

6 (225 ILCS 85/19.5)

7 (Section scheduled to be repealed on January 1, 2028)

8 Sec. 19.5. Biological products.

9 (a) For the purposes of this Section:

10 "Biological product" has the meaning given to that term in  
11 42 U.S.C. 262.

12 ~~"Interchangeable biological product" means a biological~~  
13 ~~product that the United States Food and Drug Administration:~~

14 ~~(1) has (A) licensed and (B) determined it to meet the~~  
15 ~~standards for interchangeability pursuant to 42 U.S.C.~~  
16 ~~262(k) (4); or~~

17 ~~(2) has determined is therapeutically equivalent as~~  
18 ~~set forth in the latest edition of or supplement to the~~  
19 ~~United States Food and Drug Administration's Approved Drug~~  
20 ~~Products with Therapeutic Equivalence Evaluations (Orange~~  
21 ~~Book).~~

22 (b) A pharmacist may substitute a ~~an interchangeable~~  
23 biological product for a prescribed biological product only if  
24 all of the following conditions in this subsection (b) are

1 met:

2 (1) the product being considered for substitution is  
3 either the reference product or a product approved by the  
4 United States Food and Drug Administration as a biosimilar  
5 of the prescribed biological product; ~~the substituted~~  
6 ~~product has been determined by the United States Food and~~  
7 ~~Drug Administration to be interchangeable, as defined in~~  
8 ~~subsection (a) of this Section, with the prescribed~~  
9 ~~biological product;~~

10 (2) the prescribing physician does not designate  
11 orally, in writing, or electronically that substitution is  
12 prohibited in a manner consistent with Section 25 of this  
13 Act; and

14 (3) the pharmacy informs the patient of the  
15 substitution.

16 (c) Within 5 business days following the dispensing of a  
17 biological product, the dispensing pharmacist or the  
18 pharmacist's designee shall make an entry of the specific  
19 product provided to the patient, including the name of the  
20 product and the manufacturer. The communication shall be  
21 conveyed by making an entry that can be electronically  
22 accessed by the prescriber through:

23 (1) an interoperable electronic medical records  
24 system;

25 (2) an electronic prescribing technology;

26 (3) a pharmacy benefit management system; or

1 (4) a pharmacy record.

2 Entry into an electronic records system as described in  
3 this subsection (c) is presumed to provide notice in  
4 accordance with this subsection (c). Otherwise, the pharmacist  
5 shall communicate the biological product dispensed to the  
6 prescriber using facsimile, telephone, electronic  
7 transmission, or other prevailing means, except that  
8 communication shall not be required if ~~where: (A) there is no~~  
9 ~~United States Food and Drug Administration approved~~  
10 ~~interchangeable biological product for the product prescribed;~~  
11 ~~or (B) a refill prescription is not changed from the product~~  
12 dispensed on the prior filling of the prescription.

13 (d) The pharmacy shall retain a record of the biological  
14 product dispensed for a period of 5 years.

15 (e) (Blank). ~~The Department shall maintain a link on its~~  
16 ~~Internet website to the current list of all biological~~  
17 ~~products determined by the United States Food and Drug~~  
18 ~~Administration to be interchangeable with a specific~~  
19 ~~biological product.~~

20 (f) The Department may adopt rules for compliance with  
21 this Section.

22 (Source: P.A. 99-200, eff. 1-1-16.)