

Subject Prescription drug rebates

Authors Elkins and others

Analyst Annie Mach

Date March 17, 2025

## Overview

This bill requires a pharmacy benefit manager (PBM) and a health carrier to use any prescription drug rebates from a drug manufacturer to reduce costs for covered persons associated with the drug.

## Summary

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

1	<b>Responsibility to use compensation for benefit of covered persons.</b>
---	---

Establishes § 62W.16.

**Subd. 1. Compensation used to reduce point-of-sale costs.** Provides that a PBM or a health carrier must remit all compensation received from a drug manufacturer for a prescription drug to the covered person associated with the particular drug, unless the person's cost-sharing obligation for the drug is less than what the person would pay for the drug after the application of the compensation from the drug manufacturer.

**Subd. 2. Definitions.** Defines terms for use in the section.

**Subd. 3. Report on compliance.** Beginning March 1, 2026, and annually thereafter, requires that a PBM and a health carrier report to the commissioner of human services on how they have complied with the section.

Makes the section effective January 1, 2026.