

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 6283  
OFFERED BY MR. KRISHNAMOORTHY OF ILLINOIS**

Add at the end of section 2 the following:

1           (e) FEHBP: STRENGTHENING PHARMACY BENEFIT  
2   MANAGER   TRANSPARENCY   REQUIREMENTS.—Section  
3   8902 of title 5, United States Code, is amended by adding  
4   at the end the following:

5           “(q)(1) PUBLIC REPORTING REQUIREMENT.—Not  
6   later than the first calendar quarter following the first full  
7   plan year beginning on or after the date of enactment of  
8   this subsection, and annually thereafter, the Director of  
9   the Office of Personnel Management shall publish on a  
10   public website of the Office the information described  
11   under paragraph (2).

12           “(2) INFORMATION DESCRIBED.—The information  
13   described in this subsection is the following with respect  
14   to services provided by a health benefits plan or PBM  
15   under this chapter for a contract year:

16                   “(A) The aggregate dollar amount of all—

17                           “(i) rebates that a PBM or health benefits  
18                   plan received under each contract from all drug  
19                   manufacturers;

1           “(ii) administrative fees that a PBM or  
2 health benefits plan received under each con-  
3 tract with from all drug manufacturers;

4           “(iii) administrative fees that a PBM or  
5 health benefits plan received under each con-  
6 tract from each such entity;

7           “(iv) rebates that a PBM or health bene-  
8 fits plan received under each contract with each  
9 entity from all pharmaceutical manufacturers  
10 that were not passed through to such entities;

11           “(v) administrative fees that a PBM or  
12 health benefits plan received under each con-  
13 tract from all pharmaceutical manufacturers  
14 and did not pass through to such entities;

15           “(vi) total post-claim adjudication pay-  
16 ments that a PBM or health benefits plan col-  
17 lected from a pharmacy under each contract,  
18 including any fees, reimbursements, or other  
19 claw backs including generic effective rate and  
20 brand effective rate contracts; and

21           “(vii) any post-claim adjudication pay-  
22 ments that a PBM or health benefits plan col-  
23 lected from a pharmacy under each contract,  
24 including any fees, reimbursements, or other  
25 claw backs including generic effective rate and

1 brand effective rate contracts that were not  
2 passed through to such entities.

3 “(B) The aggregate retained rebate percentage  
4 under each contract (that is the value in paragraph  
5 (A)(iv) divided by the value in paragraph (A)(i)).

6 “(C) Across all contractual relationships for  
7 each PBM whereby such PBM is managing prescrip-  
8 tion drug coverage for a health benefits plan under  
9 this chapter, the highest retained rebate percentage  
10 and lowest retained rebate percentage for each con-  
11 tract under which such PBM provided services.

12 “(3) DEFINITIONS.—In this subsection, the following  
13 definitions apply:

14 “(A) The term ‘brand effective rate’ means the  
15 claim reimbursement for a brand name drug, ex-  
16 pressed as a percentage discount from the average  
17 wholesale price of such drug.

18 “(B) The term ‘generic effective rate’ means  
19 the claim reimbursement for a generic drug, ex-  
20 pressed as a percentage discount from the average  
21 wholesale price of such drug.

22 “(C) The term ‘pharmacy benefits manager’ or  
23 ‘PBM’ has the meaning given the term ‘pharmacy  
24 benefit manager’ in section 8915(b)(2)(C).”.

