



(Original Signature of Member)

119TH CONGRESS
2^D SESSION

H. R. _____

To amend section 408 of the Employee Retirement Income Security Act of 1974 to prohibit kickbacks to pharmacy benefit managers.

IN THE HOUSE OF REPRESENTATIVES

Mr. ALLEN introduced the following bill; which was referred to the Committee on _____

A BILL

To amend section 408 of the Employee Retirement Income Security Act of 1974 to prohibit kickbacks to pharmacy benefit managers.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “PBM Kickback Prohi-
5 bition Act”.

6 **SEC. 2. PBM KICKBACK PROHIBITION.**

7 (a) IN GENERAL.—Section 408(b)(2)(B) of the Em-
8 ployee Retirement Income Security Act (29 U.S.C.

1 1108(b)(2)(B)) is amended by adding at the end the fol-
2 lowing:

3 “(x) In the case of a contract or arrangement
4 between a covered plan and a covered service pro-
5 vider for pharmacy benefit management services, no
6 amount of compensation may be paid, directly or in-
7 directly, by such service provider to a brokerage
8 firm, broker, consultant, advisor, or any other indi-
9 vidual for the referral of the covered plan’s or health
10 insurance issuer’s business to the covered service
11 provider.”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this section shall apply for plan years beginning after the
14 date of enactment of this Act.