

**SB43 ENGROSSED**



1 SB43  
2 V77HFLL-2  
3 By Senator Melson  
4 RFD: Banking and Insurance  
5 First Read: 04-Feb-25



## SB43 Engrossed

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A BILL  
TO BE ENTITLED  
AN ACT

Relating to health care providers; to bar enforcement of contractual provisions that apply to health care providers and pharmacists which forbid or penalize disclosure of information to patients or other individuals about the cost and availability of treatment or drugs; to prohibit contractors from taking adverse action against health care providers and pharmacists for disclosing cost and treatment information to patients or other individuals; and to provide a civil action to health care providers and pharmacists.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1.(a) For the purposes of this section, the following terms have the following meanings:

(1) HEALTH CARE PROVIDER. The term includes:

a. A pharmacist licensed pursuant to Chapter 23 of Title 34, Code of Alabama 1975.

b. A physician or other health care professional licensed pursuant to Chapter 24 of Title 34, Code of Alabama 1975.

c. An optometrist licensed pursuant to Chapter 22 of Title 34, Code of Alabama 1975.



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29           (2) HEALTH INSURER. An entity subject to the insurance  
30 laws of this state and the rules of the Department of  
31 Insurance of the State of Alabama, or a health maintenance  
32 organization operating pursuant to Chapter 21A of Title 27,  
33 Code of Alabama 1975, or a nonprofit hospital or health  
34 service corporation organized pursuant to Article 6, Chapter  
35 20 of Title 10A, Code of Alabama 1975, that contracts or  
36 offers to contract to provide, deliver, arrange for, pay for,  
37 or reimburse any of the costs of physical, mental, or  
38 behavioral health care services, including pharmaceutical  
39 services, or a nonprofit agricultural organization that  
40 provides a plan for health care benefits to its members. The  
41 term includes a pharmacy benefits manager or pharmacy benefits  
42 manager affiliate subject to the licensure requirements of  
43 Chapter 45A of Title 27, Code of Alabama 1975, or any other  
44 entity providing a plan of health insurance, health benefits,  
45 or health services.

46           (3) OTHER CONTRACTING ENTITY. The term includes all of  
47 the following:

48           a. A hospital, nursing home, or health care institution  
49 licensed under Article 2, Chapter 21, Title 22, Code of  
50 Alabama 1975.

51           b. An institution that provides postsecondary  
52 education, laboratory services, or performs clinical research.

53           c. A manufacturer, distributor, or supplier of drugs,  
54 medical devices, diagnostic equipment, durable medical  
55 equipment, or any other service or product that may be used in  
56 providing health care.



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57 (b) (1) Subject to the limitations set forth in Sections  
58 34-23-8 and 34-23-8.1, Code of Alabama 1975, a health care  
59 provider, in the scope of his or her professional practice,  
60 may provide a patient or customer with any of the following  
61 information:

62 a. The estimated cost of a treatment or drug, including  
63 the cost in the absence of insurance coverage; the allowed  
64 amount for payment or reimbursement under a plan of health  
65 benefits; and a cost-sharing amount to be owed by a patient or  
66 customer, such as a deductible, copayment, or coinsurance.

67 b. A treatment or drug that is less expensive than the  
68 treatment or drug under consideration between the health care  
69 provider and the patient or customer.

70 c. The availability of a treatment or drug that is an  
71 alternative to the treatment or drug under consideration  
72 between the health care provider and the patient or customer,  
73 including the off-label use of the treatment or drug, provided  
74 that it is within the standard of care for treatment of the  
75 disease, condition, or symptom of the individual.

76 (2) A health care provider, relying upon professional  
77 knowledge or experience that is within the standard of care of  
78 his or her profession or specialty, may opine on or otherwise  
79 provide an individual with information on any of the following  
80 topics:

81 a. The cost of a treatment or drug.

82 b. The comparative costs of treatment or drugs that are  
83 available for the treatment of a disease, condition, or  
84 symptom.



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85           c. The comparative effectiveness of available  
86 treatments or drugs, including so-called alternative  
87 treatments or drugs or the off-label use of treatments or  
88 drugs, for the treatment of a disease, condition, or symptom.

89           (c) (1) A health insurer or other contracting entity may  
90 not cancel or refuse to renew a contract with a health care  
91 provider, or penalize or take any adverse action against a  
92 health care provider, regardless of whether the penalty or  
93 adverse action is provided for in a contract, or otherwise  
94 retaliate against a health care provider, as a result of the  
95 health care provider providing a patient, customer, or other  
96 individual with any information described in subsection (b).

97           (2) Any provision in a contract between a health  
98 insurer or other contracting entity and a health care provider  
99 that prohibits a health care provider from providing a  
100 patient, customer, or other individual with the information  
101 described in subsection (b), or which otherwise imposes any  
102 penalty, adverse consequence, or monetary disincentive on a  
103 health care provider for providing a patient, customer, or  
104 other individual with the information described in subsection  
105 (b), is unenforceable in the courts of the State of Alabama.

106           (d) A health care provider who suffers adverse action  
107 as described in subsection (c) may bring an action against a  
108 health insurer or other contracting entity in the circuit  
109 court of the county in which the contract with the health  
110 insurer or other contracting entity is performed by the health  
111 care provider, for the following:

112           (1) Actual damages.



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113 (2) Equitable relief.

114 (3) Reasonable costs and attorney fees.

115 Section 2. This act shall become effective on October

116 1, 2025.



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117  
118  
119 Senate

120 Read for the first time and referred .....04-Feb-25  
121 to the Senate committee on Banking  
122 and Insurance  
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124 Read for the second time and placed .....05-Mar-25  
125 on the calendar:  
126 0 amendments  
127  
128 Read for the third time and passed .....08-Apr-25  
129 as amended  
130 Yeas 33  
131 Nays 0  
132 Abstains 0  
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Patrick Harris,  
Secretary.

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