SB43 ENGROSSED



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



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5	A BILL
6	TO BE ENTITLED
7	AN ACT
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9	Relating to health care providers; to bar enforcement
10	of contractual provisions that apply to health care providers
11	and pharmacists which forbid or penalize disclosure of
12	information to patients or other individuals about the cost
13	and availability of treatment or drugs; to prohibit
14	contractors from taking adverse action against health care
15	providers and pharmacists for disclosing cost and treatment
16	information to patients or other individuals; and to provide a
17	civil action to health care providers and pharmacists.
18	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
19	Section 1.(a) For the purposes of this section, the
20	following terms have the following meanings:
21	(1) HEALTH CARE PROVIDER. The term includes:
22	a. A pharmacist licensed pursuant to Chapter 23 of
23	Title 34, Code of Alabama 1975.
24	b. A physician or other health care professional
25	licensed pursuant to Chapter 24 of Title 34, Code of Alabama
26	1975.
27	c. An optometrist licensed pursuant to Chapter 22 of
28	Title 34, Code of Alabama 1975.



- 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 20 of Title 10A, Code of Alabama 1975, that contracts or 35 36 offers to contract to provide, deliver, arrange for, pay for, or reimburse any of the costs of physical, mental, or 37 behavioral health care services, including pharmaceutical 38 39 services, or a nonprofit agricultural organization that provides a plan for health care benefits to its members. The 40 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 entity providing a plan of health insurance, health benefits, 44
- 46 (3) OTHER CONTRACTING ENTITY. The term includes all of the following:

or health services.

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- a. A hospital, nursing home, or health care institution licensed under Article 2, Chapter 21, Title 22, Code of 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.



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

information:

- a. The estimated cost of a treatment or drug, including the cost in the absence of insurance coverage; the allowed amount for payment or reimbursement under a plan of health benefits; and a cost-sharing amount to be owed by a patient or customer, such as a deductible, copayment, or coinsurance.
- b. A treatment or drug that is less expensive than the treatment or drug under consideration between the health care provider and the patient or customer.
- c. The availability of a treatment or drug that is an alternative to the treatment or drug under consideration between the health care provider and the patient or customer, including the off-label use of the treatment or drug, provided that it is within the standard of care for treatment of the disease, condition, or symptom of the individual.
- (2) A health care provider, relying upon professional knowledge or experience that is within the standard of care of his or her profession or specialty, may opine on or otherwise provide an individual with information on any of the following topics:
- a. The cost of a treatment or drug.
- b. The comparative costs of treatment or drugs that are available for the treatment of a disease, condition, or symptom.

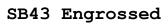


- c. The comparative effectiveness of available
 treatments or drugs, including so-called alternative
 treatments or drugs or the off-label use of treatments or
 drugs, for the treatment of a disease, condition, or symptom.
 - (c) (1) A health insurer or other contracting entity may not cancel or refuse to renew a contract with a health care provider, or penalize or take any adverse action against a health care provider, regardless of whether the penalty or adverse action is provided for in a contract, or otherwise retaliate against a health care provider, as a result of the health care provider providing a patient, customer, or other individual with any information described in subsection (b).
 - (2) Any provision in a contract between a health insurer or other contracting entity and a health care provider that prohibits a health care provider from providing a patient, customer, or other individual with the information described in subsection (b), or which otherwise imposes any penalty, adverse consequence, or monetary disincentive on a health care provider for providing a patient, customer, or other individual with the information described in subsection (b), is unenforceable in the courts of the State of Alabama.
 - (d) A health care provider who suffers adverse action as described in subsection (c) may bring an action against a health insurer or other contracting entity in the circuit court of the county in which the contract with the health insurer or other contracting entity is performed by the health care provider, for the following:
- 112 (1) Actual damages.





- 113 (2) Equitable relief.
- 114 (3) Reasonable costs and attorney fees.
- 115 Section 2. This act shall become effective on October
- 116 1, 2025.





117 118 119	Senate
120 121 122 123	Read for the first time and referred04-Feb-25 to the Senate committee on Banking and Insurance
124 125 126 127	Read for the second time and placed05-Mar-25 on the calendar: 0 amendments
128 129 130 131 132 133	Read for the third time and passed08-Apr-25 as amended Yeas 33 Nays 0 Abstains 0
134 135 136 137	Patrick Harris, Secretary.