

SB43 ENROLLED



1 SB43
2 HG9XE86-2
3 By Senator Melson
4 RFD: Banking and Insurance
5 First Read: 04-Feb-25



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1 Enrolled, An Act,

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4 Relating to health care providers; to bar enforcement
5 of contractual provisions that apply to health care providers
6 and pharmacists which forbid or penalize disclosure of
7 information to patients or other individuals about the cost
8 and availability of treatment or drugs; and to prohibit
9 contractors from taking adverse action against health care
10 providers and pharmacists for disclosing cost and treatment
11 information to patients or other individuals.

12 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

15 (1) HEALTH CARE PROVIDER. The term includes:

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

18 b. A physician or other health care professional
19 licensed pursuant to Chapter 24 of Title 34, Code of Alabama
20 1975.

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

23 (2) HEALTH INSURER. An entity subject to the insurance
24 laws of this state and the rules of the Department of
25 Insurance of the State of Alabama, or a health maintenance
26 organization operating pursuant to Chapter 21A of Title 27,
27 Code of Alabama 1975, or a nonprofit hospital or health
28 service corporation organized pursuant to Article 6, Chapter



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20 of Title 10A, Code of Alabama 1975, that contracts or offers to contract to provide, deliver, arrange for, pay for, or reimburse any of the costs of physical, mental, or behavioral health care services, including pharmaceutical services, or a nonprofit agricultural organization that provides a plan for health care benefits to its members. The term includes a pharmacy benefits manager or pharmacy benefits manager affiliate subject to the licensure requirements of Chapter 45A of Title 27, Code of Alabama 1975, or any other entity providing a plan of health insurance, health benefits, or health services.

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

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

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

c. A manufacturer, distributor, or supplier of drugs, medical devices, diagnostic equipment, durable medical equipment, or any other service or product that may be used in 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



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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



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85 provider, or penalize or take any adverse action against a
86 health care provider, regardless of whether the penalty or
87 adverse action is provided for in a contract, or otherwise
88 retaliate against a health care provider, as a result of the
89 health care provider providing a patient, customer, or other
90 individual with any information described in subsection (b).

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

100 Section 2. This act shall become effective on October
101 1, 2025.



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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB43
Senate 08-Apr-25
I hereby certify that the within Act originated in and passed
the Senate, as amended.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed: 07-May-25

Senate concurred in House amendment 14-May-25

By: Senator Melson