



# Act 77 of 2024

## Key Accomplishments of Act 77

**Enhanced Regulatory Authority:** Act 77 expands the Pennsylvania Insurance Department's (PID) authority to regulate and audit PBMs.

**Transparency Requirements:** Act 77 requires PBMs to publicly report rebate data and pharmacy network adequacy starting in 2026.

**Fair Reimbursement:** Act 77 prohibits PBMs from paying independent pharmacies less than what is reimbursed to their own affiliated pharmacy.

**Limitations on Patient Steering:** Act 77 bans mandatory mail order and PBM affiliated pharmacy requirements.

**Support for Pharmacies:** Act 77 stops PBMs from unilaterally altering contract terms with pharmacies or Pharmacy Services Administrative Organizations (PSAOs) without mutual agreement.

**Specialty Drug Designation:** Act 77 ensures that PBMs cannot label a drug as "specialty" or require it to be dispensed exclusively unless it meets specific criteria.

## Identified Areas of Opportunity

Despite the passage of Act 77 in July of 2024, **nearly 190 pharmacies** have closed their doors in Pennsylvania from January of 2024 to March of 2025. To ensure patient access to Pennsylvania pharmacies, we must:

- ✓ Streamline the implementation of Act 77 with the PID.
- ✓ Review and implement actions utilized in other states such as
  - Reverse Auctions for Medicaid PBMs
  - Moving to a single PBM for Medicaid Managed Care Organizations
- ✓ Ensure that PBMs fairly reimburse all pharmacies for the full cost of medications.
- ✓ Guarantee payment for all pharmacist services including medication therapy management and evaluation, POC testing, immunizations and more.

***Without further action and implementation of Act 77, pharmacies will continue to close their doors, leaving patients at risk.***