

1 AN ACT
2 RELATING TO INSURANCE; REQUIRING HEALTH INSURANCE THAT IS
3 PROVIDED AS PART OF THE HEALTH CARE PURCHASING ACT TO
4 REIMBURSE COMMUNITY-BASED PHARMACIES FOR THE FULL COST OF
5 PRESCRIPTION DRUGS PLUS A PROFESSIONAL DISPENSING FEE.

6
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

8 SECTION 1. A new section of the Health Care Purchasing
9 Act is enacted to read:

10 "COMMUNITY-BASED PHARMACY REIMBURSEMENT.--

11 A. Group health coverage, including any form of
12 self-insurance, offered, issued or renewed under the Health
13 Care Purchasing Act that offers a prescription drug benefit
14 shall reimburse community-based pharmacy providers as
15 follows:

16 (1) for the ingredient cost of a
17 prescription drug at a value that is at least equal to the
18 national average drug acquisition cost for the prescription
19 drug at the time that the prescription drug is administered
20 or dispensed, or if data for the national average drug
21 acquisition cost is unavailable, the wholesale acquisition
22 cost of the prescription drug; and

23 (2) a professional dispensing fee.

24 B. The professional dispensing fee reimbursed to
25 community-based pharmacy providers shall be no less than the

1 professional dispensing fee reimbursed to community-based
2 pharmacy providers for covered outpatient drugs in the
3 medicaid fee-for-service program.

4 C. For the purposes of this section:

5 (1) "community-based pharmacy provider"
6 means a pharmacy that is:

7 (a) open to the public for
8 prescriptions to be filled, regardless of the facility or
9 practice where the prescription was written;

10 (b) located in the state or near the
11 state border, if the border town is a primary source of
12 prescription drugs for medicaid recipients residing in the
13 border area; and

14 (c) not: 1) government-owned; 2)
15 hospital-owned; 3) owned by a corporation that owns
16 hospitals; 4) an extension of a medical practice or special
17 facility; 5) owned by a corporate chain of pharmacies with
18 stores outside of the state; or 6) a mail-order pharmacy;

19 (2) "ingredient cost" means the actual
20 amount paid to a community-based pharmacy provider for a
21 prescription drug, not including the professional dispensing
22 fee or cost sharing;

23 (3) "medicaid" means the medical assistance
24 program established pursuant to Title 19 of the federal
25 Social Security Act and regulations issued pursuant to that

1 act;

2 (4) "national average drug acquisition cost"
3 means the national average of prices at which pharmacies
4 purchase a prescription drug from manufacturers or
5 wholesalers; and

6 (5) "wholesale acquisition cost" means a
7 manufacturer's list price for a prescription drug sold to
8 wholesalers in the United States, not including discounts,
9 rebates or reductions in price."

10 SECTION 2. EFFECTIVE DATE.--The effective date of the
11 provisions of this act is January 1, 2026. _____

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