Governor Signs into Law S2690/A3993 Prohibits PBMs from Engaging in Patient Clawback and Gag Clause Practices

On August 22, the Governor signed into law S2690/A3993 which bans PBM gag clauses in insurance/PBM contracts that prevent pharmacies from informing customers their prescriptions would cost less if they paid cash. S2690/A3993 specifies that pharmacies are permitted to disclose lower cost options to patients. The law will also prohibit PBMs from charging copays in excess of the cash price of medications.