

SF 383 is harmful to Iowa small businesses and families

The Problem



SF 383 is a bill that was recently signed into law by the governor that regulates the health plans and pharmacy benefit managers (PBMs) - companies that help manage prescription drug coverage. Several parts of the law pose significant threats to everyday Iowans.

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The law may **cost** well over **\$300 million** annually for the Iowa health-benefits-plan community.

The Harms



The law requires a new minimum \$10.68 dispensing fee for every prescription filled at the pharmacy counter. This will cost hundreds of millions of dollars annually for businesses and employers who offer health benefit plans, and for insured Iowans.

The law also restricts constitutionally-protected commercial free speech related to pharmacy benefits and networks by making it illegal for employers to tell their employees about ways to save money, such as avoiding the \$10.68 fee by using certain pharmacies.

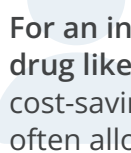
The Lawsuit



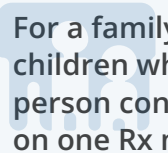
A federal law called the Employee Retirement Income Security Act (ERISA) stops states from making rules that interfere with certain job-based health plans. The federal law overrides SF 383, making it unlawful. Therefore, a group of plaintiffs have filed a lawsuit in a federal court in Des Moines to stop the severe harms that would be caused by this law.

Current Status As of June 30, a federal judge paused the implementation of the law for the plaintiffs.

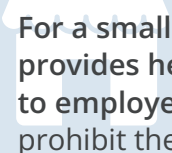
What does this mean for you?



For an individual who takes a specialty drug like Skyrizi®, this law will eliminate cost-saving tools like PrudentRx that often allow them to access high-cost medications at no cost. One analysis found that this means the individual would go from paying \$0 to \$4,380 at the pharmacy counter.



For a family with two children where each person consistently relies on one Rx medication, this law will mean the family pays over \$40 more every time they are at the prescription counter.



For a small business that provides health coverage to employees, this law will prohibit the employer from directing its employees to a lower-cost or more affordable pharmacy to fill their prescriptions.