## Stricken language would be deleted from and underlined language would be added to present law. Act 1104 of the Regular Session

1	State of Arkansas As Engrossed: H3/22/21 H4/12/21 S4/15/21 S4/19/21
2	93rd General Assembly A Bill
3	Regular Session, 2021 HOUSE BILL 1709
4	
5	By: Representatives Payton, Boyd, Vaught, Barker, Beck, Bentley, Bragg, Cavenaugh, Cloud, Crawford,
6	Eaves, Evans, D. Garner, M. Gray, Hawks, Holcomb, Hollowell, Maddox, McNair, Miller, Milligan,
7	Richmond, Speaks, Wardlaw, Penzo, B. Smith
8	By: Senators D. Sullivan, K. Hammer, Flippo, Hill, Irvin, Rapert, Rice, D. Wallace
9	
10	For An Act To Be Entitled
11	AN ACT TO PROVIDE GUIDELINES ON HOW REBATES ARE
12	OFFERED BY A PHARMACEUTICAL MANUFACTURER THAT SELLS
13	INSULIN IN THIS STATE; AND FOR OTHER PURPOSES.
14	
15	
16	Subtitle
17	TO PROVIDE GUIDELINES ON HOW REBATES ARE
18	OFFERED BY A PHARMACEUTICAL MANUFACTURER
19	THAT SELLS INSULIN IN THIS STATE.
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22	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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24	SECTION 1. Arkansas Code Title 4, Chapter 86, Subchapter 1, is amended
25	to add an additional section to read as follows:
26	4-86-111. Pharmaceutical manufacturer discounts for insulin —
27	<u>Pharmaceutical manufacturer — Definition.</u>
28	(a)(1) As used in this section, "pharmaceutical manufacturer discount"
29	means a discount offered by a pharmaceutical manufacturer or an affiliate of
30	a pharmaceutical manufacturer, directly or indirectly, on a prescription
31	<u>drug.</u>
32	(2) "Pharmaceutical manufacturer discount" includes without
33	<u>limitation:</u>
34	(A) Coupon cards;
35	(B) Price concessions;
36	(C) Rebates:

1	(D) Manufacturer administrative fees;
2	(E) Inflation payments;
3	(F) Product discounts or fees related to procurement of
4	prescription drug inventories;
5	(G) Care management fees; and
6	(H) Any other fees that are paid by a pharmaceutical
7	manufacturer to secure placement on a drug formulary or otherwise move market
8	share of a prescription drug that is intended to reduce the net cost to a
9	patient, consumer, or healthcare payor.
10	(b)(1) Except as provided in subdivision (b)(2) of this section, $a$
11	pharmaceutical manufacturer or an affiliate of a pharmaceutical manufacturer
12	is prohibited from providing a pharmaceutical manufacturer discount on any
13	insulin product.
14	(2) A pharmaceutical manufacturer discount may be offered for an
15	insulin product if the pharmaceutical manufacturer discount is:
16	(A) Provided directly to the end user in the form of $a$
17	pharmaceutical manufacturer discount coupon card; and
18	(B) Adjudicated in real time using the National Council
19	for Prescription Drug Programs claims transmission standard.
20	(c) The Attorney General may:
21	(1) Investigate potential violations of this section; and
22	(2) Bring suit against a pharmaceutical manufacturer in
23	violation of this section.
24	(d) This section does not apply to the Arkansas Medicaid Program.
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26	SECTION 2. DO NOT CODIFY. <u>EFFECTIVE DATE. This act is effective on</u>
27	and after January 1, 2022.
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29	/s/Payton
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32	APPROVED: 5/3/21
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