1 2	State of Arkansas As Engrossed: H3/22/21 H4/12/21 S4/15/21 93rd General Assembly As Engrossed: H3/22/21 H4/12/21 S4/15/21
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
8	By: Senators D. Sullivan, K. Hammer
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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21	
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	<u>4-86-111. Pharmaceutical manufacturer discounts for insulin</u>
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	drug.
32	(2) "Pharmaceutical manufacturer discount" includes without
33	<u>limitation:</u>
34 25	(A) Coupon cards;
35	(B) Price concessions;
36	<u>(C) Rebates;</u>



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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	<u>insulin product.</u>
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	(3) A pharmaceutical manufacturer discount that is provided to
21	an end user for an insulin product under subdivision (b)(2) of this section
22	shall be processed before the submission of any claim to a health benefit
23	plan, healthcare payor, pharmacy benefits manager, or any other similar
24	entity.
25	(4) A healthcare payor, health benefit plan, or pharmacy
26	benefits manager shall be required to process a claim for a covered
27	individual secondarily or after the pharmaceutical manufacturer discount for
28	the insulin product has been obtained for the patient at the point of
29	prescription claims processing by a pharmacist licensed in this state.
30	(c) The Attorney General may:
31	(1) Investigate potential violations of this section; and
32	<u>(2) Bring suit against a pharmaceutical manufacturer in</u>
33	violation of this section.
34	(d) This section does not apply to the Arkansas Medicaid Program.
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36	/s/Payton