

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas As Engrossed: H3/22/21 H4/12/21 S4/15/21 S4/19/21

93rd General Assembly

# A Bill

Regular Session, 2021

HOUSE BILL 1709

By: Representatives Payton, Boyd, *Vaught, Barker, Beck, Bentley, Bragg, Cavanaugh, Cloud, Crawford, Eaves, Evans, D. Garner, M. Gray, Hawks, Holcomb, Hollowell, Maddox, McNair, Miller, Milligan, Richmond, Speaks, Wardlaw, Penzo, B. Smith*

By: Senators *D. Sullivan, K. Hammer, Flippo, Hill, Irvin, Rapert, Rice, D. Wallace*

## For An Act To Be Entitled

AN ACT TO PROVIDE GUIDELINES ON HOW REBATES ARE OFFERED BY A PHARMACEUTICAL MANUFACTURER THAT SELLS INSULIN IN THIS STATE; AND FOR OTHER PURPOSES.

### Subtitle

TO PROVIDE GUIDELINES ON HOW REBATES ARE OFFERED BY A PHARMACEUTICAL MANUFACTURER THAT SELLS INSULIN IN THIS STATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code Title 4, Chapter 86, Subchapter 1, is amended to add an additional section to read as follows:

4-86-111. Pharmaceutical manufacturer discounts for insulin – Pharmaceutical manufacturer – Definition.

(a)(1) As used in this section, "pharmaceutical manufacturer discount" means a discount offered by a pharmaceutical manufacturer or an affiliate of a pharmaceutical manufacturer, directly or indirectly, on a prescription drug.

(2) "Pharmaceutical manufacturer discount" includes without limitation:

(A) Coupon cards;

(B) Price concessions;

(C) Rebates;



(D) Manufacturer administrative fees;  
(E) Inflation payments;  
(F) Product discounts or fees related to procurement of prescription drug inventories;  
(G) Care management fees; and  
(H) Any other fees that are paid by a pharmaceutical manufacturer to secure placement on a drug formulary or otherwise move market share of a prescription drug that is intended to reduce the net cost to a patient, consumer, or healthcare payor.

(b)(1) Except as provided in subdivision (b)(2) of this section, a pharmaceutical manufacturer or an affiliate of a pharmaceutical manufacturer is prohibited from providing a pharmaceutical manufacturer discount on any insulin product.

(2) A pharmaceutical manufacturer discount may be offered for an insulin product if the pharmaceutical manufacturer discount is:

(A) Provided directly to the end user in the form of a pharmaceutical manufacturer discount coupon card; and

(B) Adjudicated in real time using the National Council for Prescription Drug Programs claims transmission standard.

(c) The Attorney General may:

(1) Investigate potential violations of this section; and

(2) Bring suit against a pharmaceutical manufacturer in violation of this section.

(d) This section does not apply to the Arkansas Medicaid Program.

SECTION 2. DO NOT CODIFY. EFFECTIVE DATE. This act is effective on and after January 1, 2022.

/s/Payton