HOUSE DOCKET, NO. 2063 FILED ON: 1/20/2011

HOUSE . . . . . No. 2383

The Commonwealth of Massachusetts

PRESENTED BY:

David B. Sullivan

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to manufacturer rebates and discount programs.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
David B. Sullivan	*6th Bristol*
Patricia A. Haddad	*5th Bristol*
Thomas A. Golden, Jr.	*16th Middlesex*
Lori A. Ehrlich	*8th Essex*
William Smitty Pignatelli	*4th Berkshire*
Kate Hogan	*3rd Middlesex*
Colleen M. Garry	*36th Middlesex*
Theodore C. Speliotis	*13th Essex*
David M. Torrisi	*14th Essex*
Elizabeth A. Poirier	*14th Bristol*
Anne M. Gobi	*5th Worcester*
William N. Brownsberger	
Martha M. Walz	*8th Suffolk*
Susan Williams Gifford	*2nd Plymouth*
John W. Scibak	*2nd Hampshire*
Barry R. Finegold	
Stephen R. Canessa	*12th Bristol*
James J. Dwyer	*30th Middlesex*

Chris Walsh	*6th Middlesex*
Jennifer E. Benson	*37th Middlesex*
Paul Brodeur	*32nd Middlesex*
Robert M. Koczera	*11th Bristol*
Linda Dorcena Forry	*12th Suffolk*
Michael J. Rodrigues	
Richard J. Ross	*Norfolk, Bristol, and Middlesex*
Walter F. Timilty	*7th Norfolk*
Paul McMurtry	*11th Norfolk*
Michael J. Finn	*6th Hampden*
F. Jay Barrows	*1st Bristol*

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HOUSE . . . . . No. 2383

By Mr. Sullivan of Fall River, a petition (accompanied by bill, House, No. 2383) of David B. Sullivan and others relative to coupons of manufacturers submitted to health care insurers. Public Health.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to manufacturer rebates and discount programs.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 3 of chapter 175H of the General Laws, as appearing in the 2008 Official Edition, is hereby amended by inserting before the word “Any”, in line 1, the following:- (a).

SECTION 2. Said section 3 of said chapter 175H, as so appearing, is hereby further amended by 4 inserting after word “rebate”, in line 7, the following words:- except as provided in subsection 5 (b),.

SECTION 3. Said section 3 of said chapter 175H, as so appearing, is hereby further amended by adding the following subsection:-

(b) This section shall not apply to a discount, rebate, product voucher or other reduction in an individual’s out-of-pocket expenses, including co-payments and deductibles on a prescription drug, biologic or vaccine provided by a pharmaceutical manufacturing company, as defined in section 1 of chapter 111N, that is made available to an individual if the discount,

13 rebate, product voucher or other reduction is provided directly or electronically to the individual
14 or through a point of sale or mail-in rebate, or through similar means; provided, however, that a
15 pharmaceutical manufacturing company shall not exclude nor favor any pharmacy in the
16 redemption of such discount, rebate, product voucher or other expense reduction offer to an
17 individual.

18

19 This subsection shall not: (i) restrict a pharmaceutical manufacturing company with
20 regard to how it distributes a prescription drug, biologic or vaccine; or (ii) restrict a carrier or a
21 health maintenance organization, as defined in section 1 of chapter 118G, with regard to how its
22 plan design will treat such discounts, rebates, product voucher or other reduction in out-of-
23 pocket expenses.

24 For purposes of the federal Health Insurance Portability and Accountability Act of 1996,
25 hereinafter HIPAA, and regulations promulgated under HIPAA, nothing in this subsection shall
26 be deemed to require or allow the use or disclosure of health information in any manner that does
27 not otherwise comply with HIPAA or regulations promulgated under HIPAA.