

HOUSE No. 2983

The Commonwealth of Massachusetts

PRESENTED BY:

William Driscoll

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 regarding Massachusetts drug price relief.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>William Driscoll</i>	<i>7th Norfolk</i>
<i>Mathew Muratore</i>	<i>1st Plymouth</i>
<i>William L. Crocker, Jr.</i>	<i>2nd Barnstable</i>
<i>Dylan Fernandes</i>	<i>Barnstable, Dukes and Nantucket</i>
<i>James R. Miceli</i>	<i>19th Middlesex</i>
<i>Denise Provost</i>	<i>27th Middlesex</i>
<i>Natalie Higgins</i>	<i>4th Worcester</i>
<i>Juana B. Matias</i>	<i>16th Essex</i>
<i>Brian Murray</i>	<i>10th Worcester</i>
<i>Mike Connolly</i>	<i>26th Middlesex</i>

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By Mr. Driscoll of Milton, a petition (accompanied by bill, House, No. 2983) of William Driscoll and others that the Group Insurance Commission and the Office of Medicaid be authorized to enter into agreements with manufacturer of drugs for purchase of prescribed pharmaceuticals . Health Care Financing.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act regarding Massachusetts drug price relief.

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

1 SECTION 1. Chapter 6A of the General Laws is hereby amended by inserting after
2 section 16Y the following section:-

3 Section 16Z. (a) Notwithstanding any general or special law to the contrary, and insofar
4 as may be permissible under federal law, neither the commonwealth, nor any state administrative
5 agency or other state entity, including, but not limited to, the group insurance commission and
6 the office of Medicaid shall enter into any agreement with the manufacturer of any drug for the
7 purchase of a prescribed drug unless the net cost of the drug, inclusive of cash discounts, free
8 goods, volume discounts, rebates, or any other discounts or credits, as determined by the group
9 insurance commission, is the same as or less than the lowest price paid for the same drug by the
10 United States Department of Veterans Affairs.

11 (b) The price ceiling described in subsection (a) shall apply to all programs where the
12 commonwealth or any state administrative agency or other state entity is the ultimate payer for
13 the drug, even if it did not purchase the drug directly. The responsible state agency shall enter
14 into additional agreements with drug manufacturers for further price reductions so that the net
15 cost of the drug, as determined by the group insurance commission, is the same as or less than
16 the lowest price paid for the same drug by the United States Department of Veterans Affairs.

17 (c) All state departments, agencies and other state entities that enter into 1 or more
18 agreements with the manufacturer of any drug for the purchase of prescribed drugs or agreement
19 to pay directly or indirectly for prescribed drugs shall implement this section no later than July 1,
20 2018.

21 (d) Each such department agency or other state entity, may adopt administrative rules to
22 implement this section and may seek any waivers of federal law, rule, or regulation necessary to
23 implement this section.