JOINT COMMITTEE ON FINANCIAL SERVICES
2025-2026 (194th) BILL SUMMARY

Bill No: H4043

Title: AN ACT RELATIVE TO COPAY ASSISTANCE FOR MEDICATIONS

Sponsor(s): Rep. Manny Cruz (*Salem*) and Sen. Joan B. Lovely (*Second Essex)*

Hearing Date: June 10, 2025

Reporting Deadline: August 9, 2025

Prior History: None

Similar Matters: None

CURRENT LAW:
M.G.L. c. 111 Public Health

M.G.L. c. 175H False Health Care Claims § 3 Solicitation, improper inducement to use goods, facilities, services, or products covered by insurance
This law prohibits soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind in return for purchasing, leasing, ordering or arranging for or recommending purchasing, leasing, or ordering of any good, facility, service, or item for which payment is or may be made in whole or in part by a health care insurer, or any person who offering or paying any remuneration, including any bribe or rebate, directly or indirectly, overtly or covertly, in cash or in kind to induce any person to purchase, lease, order or arrange for or recommend purchasing, leasing or ordering of any good, facility, service, or item for which payment is or may be made in whole or in part by a health care insurer, is punishable by a fine of not more than ten thousand dollars, or by imprisonment in a jail or house of correction for not more than two and one-half years or in the state prison for not more than five years, or by both such fine and imprisonment, and may be held liable in a civil action under section seven.

An exception to which the above does not apply is to any discount or free product vouchers that a retail pharmacy provides to a consumer in connection with a pharmacy service, item or prescription transfer offer or to any discount, rebate, product voucher or other reduction in an individual's out-of-pocket expenses, including co-payments and deductibles, on: (i) any biological product as defined in *section 351 of the Public Health Service Act, 42 USC 262*, or (ii) any prescription drug provided by a pharmaceutical manufacturing company, as defined in *section 1 of chapter 111N*, that is made available to an individual if the discount, rebate, product voucher or other reduction is provided directly or electronically to the individual or through a point of sale or mail-in rebate, or through similar means; provided, however, that a pharmaceutical manufacturing company shall not exclude or favor any pharmacy in the redemption of such discount, rebate, product voucher or other expense reduction offer to a consumer. This exception remains in effect until January 1, 2026, at which time it sunsets. The provision has expired several times over the years and thus far, has been re-authorized without a gap in coverage.

SUMMARY:
This bill would add a new section to the General Laws including the following two definitions:

"Copay assistance program", a type of financial assistance program that helps patients pay for their out-of-pocket costs related to healthcare services.

"Department", the department of public health pursuant to *chapter 111*.

The bill would allow a copay assistance program offered by manufacturers of branded and generic medications for all residents of the commonwealth under the following conditions:

(1) Unless prohibited by federal law, copay assistance programs will be available to all patients prescribed a medication, regardless of a patient's insurance status.

(2) Manufacturers offering copay assistance programs will notify the department of public health (DPH) of the availability of such programs, including detailed program descriptions and eligibility criteria.

(3) DPH will ensure that information regarding copay assistance programs is readily available to the public and healthcare providers.

(4) Manufacturers of generic medications and their suppliers will not be subject to fines or penalties for participating in the copay assistance program.