

Article 4D.

Prescription Drug Transparency.

§ 90-85.60. Definitions.

The following definitions apply in this Article:

- (1) Interested parties. – All of the following:
 - a. State agencies that (i) purchase prescription drugs or (ii) employ prescribers.
 - b. Health insurance companies.
 - c. Health care service plan providers.
 - d. Pharmacy benefits managers.
- (2) Manufacturer. – An entity or an agent of an entity that produces, prepares, propagates, compounds, processes, packages, repackages, or labels a brand-name or generic drug. "Manufacturer" does not include an entity engaged in the preparation and dispensing of a brand-name or generic drug pursuant to a prescription.
- (3) Prescriber. – Any person authorized under the laws of this State to issue a prescription order.
- (4) Prescription drug. – Defined in G.S. 90-85.3.
- (5) Prescription order. – Defined in G.S. 90-85.3.
- (6) Price. – The wholesale acquisition cost as defined in 42 U.S.C. § 1395w-3a(c)(6)(B).
- (7) Secretary. – The Secretary of the Department of Health and Human Services. (2025-69, s. 8(a).)

§ 90-85.61. Required notifications and disclosures.

(a) Price Increases. – By January 31 of each year, a manufacturer shall notify all interested parties of each increase in price of fifteen percent (15%) or greater that occurred in the prior calendar year for a prescription drug with a price of one hundred dollars (\$100.00) or more for a 30-day supply. The manufacturer shall disclose all of the following to interested parties for each drug price increase noticed for the prior calendar year under this subsection:

- (1) The date and price of acquisition of the drug, if it was not developed by the manufacturer.
- (2) A schedule of price increases for the drug for the five years prior to the calendar year for which the drug price increase was required to be noticed under this subsection.

(b) New Products. – A manufacturer shall notify all interested parties of the price of any new prescription drug within three days after it is made available for purchase in this State. Within 30 days after the notification required by this subsection, the manufacturer shall disclose to interested parties the date and price of acquisition of the drug if it was not developed by the manufacturer.

(c) Satisfaction of Obligations. – A manufacturer's obligations under this section shall be fully satisfied by the submission of information and data that a manufacturer includes in its annual consolidated report on Securities and Exchange Commission Form 10-K or any other public disclosure.

(d) Information is Not Public Record. – Information provided to the Secretary or an interested party pursuant to this section shall, except to the extent it is already in the public domain,

be considered trade secret under Article 24 of Chapter 66 of the General Statutes, confidential, exempt from public inspection and copying under Chapter 132 of the General Statutes, and shall not be disclosed directly or indirectly. The Secretary, interested parties, and their agents shall not publish or otherwise disclose any information that would allow for the identification of an individual drug, therapeutic class of drugs, or manufacturer, that would reveal the prices of any drug or therapeutic class of drugs, or that has the potential to compromise the financial, competitive, or proprietary nature of any information submitted by the manufacturer pursuant to this section. The Secretary and interested parties shall impose the confidentiality protections of this section on any downstream third party that may receive or otherwise have access to this information. (2025-69, s. 8(a).)

§ 90-85.62. Penalty for failure to report.

The Secretary shall assess a civil penalty against any manufacturer failing to report the information required by this Article. The amount of the penalty shall not exceed one thousand dollars (\$1,000) for each day the manufacturer fails to submit the required information. The clear proceeds of any civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Chapter 150B of the General Statutes applies to proceedings for the assessment of civil penalties under this section. (2025-69, s. 8(a).)

§ 90-85.63. Report and data collection by the Secretary; public portal.

(a) Plan for Implementation. – The Secretary shall develop a plan to collect data from manufacturers pursuant to G.S. 90-85.61 to provide transparency and accountability for prescription drug pricing. The Secretary shall consult with other state and national agencies and nonprofit organizations to determine how to implement this data collection directive but shall not disclose any confidential, proprietary, or trade secret information.

(b) Public Portal. – The Secretary shall create an online portal to provide the public with access to the notifications, reports, and other disclosures required by this Article.

(c) Annual Report. – Beginning January 1, 2027, and annually thereafter, the Secretary shall report to the Joint Legislative Oversight Committee on Health and Human Services the following information with respect to prescription drugs sold in this State:

- (1) The 25 drugs prescribed most frequently in the State.
 - (2) The 25 most costly drugs based on the total amount spent on those drugs by consumers in this State.
 - (3) The 25 drugs with the greatest percentage cost increases during the prior calendar year.
 - (4) The 10 manufacturers with the greatest average percentage cost increase for the prior calendar year for all drugs sold by that manufacturer in the State.
- (2025-69, s. 8(a).)