HOUSE BILL 839

Short Title:	Pharm. Drug Cost/Utilization Reporting.	(Public)
Sponsors:	Representatives Collins, Saine, J. Bell, and Hanes (Primary Sponsors). *For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*	
Referred to:	Health, if favorable, Insurance.	

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE MANUFACTURERS OF PHARMACEUTICAL DRUGS TO REPORT COST AND UTILIZATION INFORMATION.

The General Assembly of North Carolina enacts:

SECTION 1. Article 50 of Chapter 58 is amended by adding a new Part to read:

"Part 8. Pharmacy Cost Reporting.

"**§ 58-50-300. Purpose.**

It is the intent of the General Assembly to make information available to the public about the cost and utilization of pharmaceutical drugs. To fulfill this goal, the General Assembly finds that there should be annual reporting of drug costs and use that would be of use by policymakers, government agencies and others to understand pharmacy cost trends.

"**§ 58-50-305. Pharmacy cost reporting.**

(a) Each manufacturer of a brand medication that is made available in North Carolina shall file a report on pharmaceutical costs as outlined in this section.

(b) The report shall include the following for each drug required in subsection (c) of this section:

(1) Total costs derived in the production of the drug.

(2) Average wholesale cost of the drug as filed with the Federal Food and Drug Administration and, for each drug, a five-year history of average wholesale price expressed as a percentage and the month each increase took effect.

(3) Total research and development costs paid by the manufacturer in the production of the drug.

(4) Total administrative costs, marketing and advertising costs for the promotion of the drug, and costs associated with direct-to-consumer coupons and amount redeemed.

(5) Total profit as represented in total dollars and a percentage of total company profit derived from the sale of the drug.

(6) Total amount of financial assistance the manufacturer has provided through patient prescription assistance programs if such programs are available.

(c) The annual report required in subsection (a) of this section shall include the following branded pharmaceutical drugs:

(1) Each orally administered anticancer medication used to kill or slow the growth of cancerous cells.

(2) Each orally administered analgesics medication used for the treatment of pain.

(3) Each orally administered medication used for the treatment of depression, including Selective serotonin reuptake inhibitors (SSRIs), commonly referred to as antidepressants.

(4) Each orally administered bronchodilator, anticholinergics, anti-inflammatory drug such as inhaled corticosteroids or mast cell stabilizers, used for the treatment of asthma, allergies, and other respiratory problems.

(5) Each orally administered statin drug used to lower the level of cholesterol in the blood.

(6) Each medication administered by injection, including insulin.

(7) Each biologic medication as defined under section 351 of the federal Public Health Services Act (42 U.S.C. § 262).

(d) Information required in subsections (b) and (c) of this section shall be filed annually with the Department on a form prescribed by the Commissioner and shall be submitted no later than May 1 of each year.

(e) The Commissioner shall issue annually a report outlining the information submitted under this section. The report shall be submitted to the General Assembly and shall be posted on the Department's Web site."

SECTION 2. The Commissioner of Insurance shall convene an advisory workgroup to make recommendations regarding the report form required under G.S. 58-50-305, as enacted by this act. The workgroup shall include representatives from the pharmaceutical industry, health insurance plans, pharmacy benefit managers, State agencies, consumer advocates, and physicians.

SECTION 3. This act is effective when it becomes law.