

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 7 of Chapter 4 of Title 49 of the Official Code of Georgia Annotated,  
2 relating to medical assistance generally, so as to provide that any contract between the  
3 Department of Community Health and a health maintenance or other care management  
4 organization providing Medicaid services require disclosure to the department of any  
5 prescription drug rebates, fees, commissions, or kickbacks received or retained by the  
6 organization; to provide for penalties; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Article 7 of Chapter 4 of Title 49 of the Official Code of Georgia Annotated, relating to  
10 medical assistance generally, is amended by revising Code Section 49-4-152.4, relating to  
11 department contracts to require refund of prescription drug rebates, as follows:

12 "49-4-152.4.

13 (a) The department shall provide that any department contract with a provider of medical  
14 assistance which is renewed or executed on or after July 1, 1997, shall require a refund to  
15 the department of any prescription drug rebate, as established in this article or in federal  
16 law in Section 1927 of Title XIX of the Social Security Act, as amended, obtained by the  
17 provider for prescription drugs furnished to recipients of medical assistance pursuant to that  
18 contract.

19 (b)(1) The department shall provide that any department contract with a health  
20 maintenance organization or other care management organization for the furnishing of  
21 health care services to persons pursuant to this article which is renewed or executed on  
22 or after July 1, 2007, shall require the organization to disclose to the department any  
23 prescription drug rebate, fee, commission, or kickback received or retained by the health  
24 maintenance organization or other care management organization for prescription drugs  
25 furnished to recipients of medical assistance pursuant to that contract.

1 (2) It shall be unlawful for any person, firm, corporation, partnership, or other entity to  
2 refuse to disclose any such prescription drug rebate, fee, commission, or kickback in  
3 violation of paragraph (1) of this subsection. Any person, firm, corporation, partnership,  
4 or other entity violating paragraph (1) of this subsection shall be guilty of a felony and,  
5 upon conviction thereof, shall be required to make restitution and shall be punished for  
6 each offense by a fine of not more than \$10,000.00, or by imprisonment for not less than  
7 one year nor more than ten years, or by both such fine and imprisonment."

8 **SECTION 2.**

9 All laws and parts of laws in conflict with this Act are repealed.