

House Bill 961

By: Representatives Park of the 101<sup>st</sup>, McLaurin of the 51<sup>st</sup>, Holland of the 54<sup>th</sup>, Robichaux of the 48<sup>th</sup>, Moore of the 95<sup>th</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 31 of the Official Code of Georgia Annotated, relating to health, so as to  
2 provide for the identification of high-cost prescription drugs for which the state expends  
3 significant health care funds; to provide for submission of a list of the identified drugs to the  
4 Attorney General; to authorize the Attorney General to require certain information from drug  
5 manufacturers; to provide for an annual report to the General Assembly; to provide for  
6 confidentiality; to provide for civil penalties for noncompliance; to provide for related  
7 matters; to repeal conflicting laws; and for other purposes.

8 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

9 style="text-align:center">**SECTION 1.**

10 Title 31 of the Official Code of Georgia Annotated, relating to health, is amended in  
11 Chapter 2, relating to the Department of Community Health, by adding a new Code section  
12 to read as follows:

13 "31-2-17.

14 (a) The department, in collaboration with the State Board of Pharmacy, shall annually  
15 identify up to 15 prescription drugs on which the state expends significant health care funds  
16 for which the wholesale acquisition cost has increased by 50 percent or more over the past  
17 five years or by 15 percent or more over the past 12 months, creating a substantial public  
18 interest in understanding the development of the drugs' pricing. The prescription drugs  
19 identified shall represent different drug classes.

20 (b) The department shall provide to the Attorney General a list of those prescription drugs  
21 identified pursuant to this Code section and the percentage of the wholesale acquisition cost  
22 increase for each drug, and shall make such information available to the public on the  
23 department's website.

24 (c) For each prescription drug identified pursuant to this Code section, the Attorney  
25 General shall require the drug's manufacturer to provide a justification for the increase in  
26 the wholesale acquisition cost of the drug in a format that the Attorney General determines

27 to be understandable and appropriate. The prescription drug manufacturer shall submit to  
28 the Attorney General all relevant information and supporting documentation necessary to  
29 justify the manufacturer's wholesale acquisition cost increase, which may include:

30 (1) All factors that have contributed to the wholesale acquisition cost increase;

31 (2) The percentage of the total wholesale acquisition cost increase attributable to each  
32 factor; and

33 (3) An explanation of the role of each factor in contributing to the wholesale acquisition  
34 cost increase.

35 (d) Nothing in this Code section shall be construed to restrict the legal ability of a  
36 prescription drug manufacturer to change prices to the extent permitted under federal law.

37 (e) The Attorney General, in consultation with the department, shall provide a report to the  
38 General Assembly on or before December 1 of each year based on the information received  
39 from prescription drug manufacturers pursuant to this Code section. The Attorney General  
40 shall also post such report on the Attorney General's website.

41 (f) Information provided to the Attorney General by prescription drug manufacturers  
42 pursuant to this Code section shall not be subject to Article 4 of Chapter 18 of Title 50,  
43 relating to open records, and shall not be released in any manner that allows for the  
44 identification of an individual drug or manufacturer or that is likely to compromise the  
45 financial, competitive, or proprietary nature of the information.

46 (g) The Attorney General may bring a civil action in the superior courts for injunctive  
47 relief, costs, and attorneys' fees, and to impose on a prescription drug manufacturer that  
48 fails to provide the information required by this Code section a civil penalty of up to  
49 \$10,000.00 per violation. Each such failure to provide information shall constitute a  
50 separate violation."

51 **SECTION 2.**

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