

173-6-08

**Administration of prescription drug programs.**

- (A) No administrator of a prescription drug ~~discount~~ program may charge a fee to cardholders for the right to participate in the prescription drug ~~discount~~ program.
- (B) An administrator shall permit any pharmacy willing to comply with the administrator's terms and conditions for participation in the program's network to participate in any network used by the administrator for the program.
- (C) No administrator may require a pharmacy or drug manufacturer to participate in the program's network as a condition of participation in any other network or coverage program operated by the administrator.
- (D) An administrator may negotiate with one or more drug manufacturers for ~~discounts in drug prices or rebates~~. To the extent that a ~~discount~~ rebate is achieved ~~through rebates or discounts in prices that an administrator negotiates with drug manufacturers~~, the administrator shall use the ~~rebates or discounts~~ rebate to do the following:
- (1) Reduce any costs to cardholders;
  - ~~(2) Achieve discounts for cardholders;~~
  - ~~(3)~~(2) Cover any administrative costs of the program; and,
  - ~~(4)~~(3) Create a financial incentive program through which the administrator shall distribute a portion of the rebate payments it receives to its participating pharmacies.
- (E) An administrator may manage drug discounts for the program from one or more drug manufacturers. The administrator shall use one hundred per cent of the drug discounts to reduce prescription purchase costs for cardholders.
- ~~(E)~~(F) Not later than one month after the end of each twelve-month period that one or more prescription drug ~~discount-card~~ programs are in operation, each administrator shall provide the department with the following information:
- (1) The number of prescription drug ~~discount~~ program cardholders;
  - (2) The number of cardholders who used the card at least once in the immediately preceding twelve-month period;
  - (3) The total cost savings to all cardholders generated by the program;

- (4) The average cost savings to a cardholder per prescription;
- (5) The source and method of cost savings under the program;
- (6) The names of the drugs that ~~are discounted~~ have lower costs under the program, listed according to major drug category;
- (7) For each participating pharmacy, the number of times in the twelve-month period that the pharmacy's customary and usual price was lower than the price offered under the prescription drug ~~discount~~ program;
- (8) The number of pharmacies participating in the program;
- (9) Any costs incurred by participating pharmacies to participate in the program.

Effective: 05/08/2003

CERTIFIED ELECTRONICALLY

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Certification

05/08/2003

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Date

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