

By: Representatives Howell, Barnett (92nd), Eaton, Franks, Hudson, Malone, Martinson, Read, Smith (35th), Stringer, Warren

To: Public Health and Welfare

HOUSE BILL NO. 811
(As Sent to Governor)

1 AN ACT TO PROHIBIT ENTITIES THAT ADMINISTER PRESCRIPTION DRUG
2 PROGRAMS THROUGH A NETWORK OF PARTICIPATING PHARMACIES FROM
3 ISSUING CASH DISCOUNT CARDS THAT THE PARTICIPATING PHARMACIES MUST
4 ACCEPT OR HONOR AS A CONDITION OF PARTICIPATION IN THE
5 PRESCRIPTION DRUG PROGRAM, UNLESS THE ENTITY PAYS A PORTION OF THE
6 COST OF THE DISCOUNT GIVEN BY THE PHARMACY FOR PRESCRIPTIONS
7 PURCHASED WITH THE USE OF THE CASH DISCOUNT CARD; TO PROHIBIT ANY
8 OTHER PERSONS OR ENTITIES FROM ISSUING CASH DISCOUNT CARDS UNLESS
9 THE PERSON OR ENTITY PAYS A PORTION OF THE COST OF THE DISCOUNT
10 GIVEN BY THE PHARMACY FOR PRESCRIPTIONS PURCHASED WITH THE USE OF
11 THE CASH DISCOUNT CARD; AND FOR RELATED PURPOSES.

12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

13 SECTION 1. (1) As used in this section:

14 (a) "Cash discount card" means a card, other than the
15 program identification card of a member or participant of a
16 prescription drug program, that allows the holder to obtain a
17 discount on a prescription drug when paying for the prescription
18 at the point-of-sale.

19 (b) "Prescription drug program" means a program or plan
20 that provides coverages and benefits for prescription drugs for
21 members or participants in the program, whether the program is a
22 separate program or part of a health benefit plan.

23 (2) Any entity that administers a prescription drug program
24 through a network of participating pharmacies for the benefit of
25 any resident of the State of Mississippi shall not issue or
26 distribute any cash discount card that the participating
27 pharmacies must accept or honor as a condition or requirement of
28 participation in the prescription drug program, or that the
29 participating pharmacies must accept or honor if they accept or
30 honor program identification cards held by members or participants

31 of any prescription drug program administered by the entity,
32 unless the entity pays a portion of the cost of the discount given
33 by the pharmacy for prescriptions purchased with the use of the
34 cash discount card.

35 (3) Any person or entity that is not subject to subsection
36 (2) of this section shall not issue or distribute any cash
37 discount card to any resident of the State of Mississippi unless
38 the person or entity pays a portion of the cost of the discount
39 given by the pharmacy for prescriptions purchased with the use of
40 the cash discount card.

41 (4) Any provision in any prescription drug program or health
42 benefit plan that is executed, delivered, renewed or otherwise
43 contracted for in this state that is not in compliance with this
44 section shall be void to the extent of the noncompliance.

45 (5) The provisions of this section shall not apply to the
46 issuers of Medicare Supplement Insurance policies.

47 (6) The Office of Attorney General, Consumer Protection
48 Division, shall enforce the provisions of this section.

49 SECTION 2. This act shall take effect and be in force from
50 and after July 1, 1999.