Unofficial Copy 2003 Regular Session
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By: **Delegate Hurson**
Introduced and read first time: February 24, 2003
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

AN ACT concerning

Maryland Medical Assistance Program - Pharmaceutical Products - Access, Coverage, and Cost-Saving Protections and Programs

FOR the purpose of authorizing the Department of Health and Mental Hygiene to establish a certain preferred drug list within the Maryland Medical Assistance Program, Maryland Pharmacy Assistance Program, and Maryland Pharmacy Discount Program; requiring the Department to implement certain program benefits to offset Program expenditures; establishing the State Pharmacy and Therapeutics Committee within the Department for the purpose of developing a certain preferred drug list; providing for the membership, terms, chairman and vice chairman, and required meetings of the Committee; requiring the Committee, to the extent feasible, to perform a certain review, develop and make certain recommendations, and provide certain criteria for certain drugs; requiring a preferred drug list developed by the Department to provide certain coverage of drugs, offer a certain choice of pharmaceuticals or biological entities, and provide that certain drugs may have certain exclusions and be subject to prior authorization under certain circumstances; prohibiting the Department from establishing prior authorization requirements or restricting coverage for medications used to treat certain conditions; requiring the Department to implement certain procedures for prescription drugs that are subject to prior authorization to ensure that the provider or authorized prescriber contacts the Department through a certain hotline and provides certain information; requiring the Department to respond to a request for prior authorization within a certain time period; providing that a certain supply of a prescribed drug is authorized under certain circumstances, and that a certain decision of the Committee shall be in writing; providing that prior authorization does not guarantee eligibility or reimbursement and that certain other Program restrictions remain in effect; requiring the Department or its designee to respond to a certain request for reconsideration of a certain decision within a certain period of time; requiring certain reconsiderations to be reviewed and issued by a physician; requiring the Department to ensure a certain response is received within a certain period of time; authorizing the Department to require prior authorization for more than a certain number of prescriptions including certain refills and excluding certain drugs; authorizing certain drugs to be included on the preferred drug list for a certain period of time unless the

Committee makes a certain recommendation; requiring requests for prior authorization to be approved by an authorized prescriber in the Department; prohibiting the Department from limiting or excluding coverage for certain drugs for certain enrollees; requiring the Department to inform the Committee of certain decisions, maintain a certain preferred drug list on the Department's website, ensure that certain drugs are reviewed at a certain time, and provide certain parties an opportunity to present certain comments; requiring the Department to establish a certain fee paid to a certain program contractor; prohibiting the Department from offering or paying certain incentives to a program contractor based on certain factors; prohibiting the Department from negotiating supplemental rebates with certain manufacturers; defining certain terms; and generally relating to prescription drugs and the Maryland Medical Assistance Program.

BY repealing and reenacting, with amendments,
Article - Health - General
Section 15-118
Annotated Code of Maryland
(2000 Replacement Volume and 2002 Supplement)

BY adding to
Article - Health - General
Section 15-118.1
Annotated Code of Maryland
(2000 Replacement Volume and 2002 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article - Health - General

15-118.

(a) (1) Unless the prescriber directs otherwise on the form or on an attached signed certification of need, the generic form of the drug authorized under § 12-504 of the Health Occupations Article shall be used to fill the prescription.

(2) If the appropriate generic drug is not generally available, the Department may waive the requirement for generic substitution under paragraph (1) of this subsection.

(b) (1) Except as provided under paragraph (2) of this subsection, the Program shall establish maximum reimbursement levels for the drug products for which there is a generic equivalent authorized under § 12-504 of the Health Occupations Article, based on the cost of the generic product.

(2) If a prescriber directs a specific brand name drug, the reimbursement level shall be based on the cost of the brand name product.

(c) (1) Except as provided under paragraph (4) of this subsection and unless the change is made by an emergency regulation, the Program shall notify all pharmacies under contract with the Program in writing of changes in the Pharmaceutical Benefit Program rules or requirements at least 30 days before the change is effective.

(2) Changes that require 30 days' advance written notice under paragraph (1) of this subsection are:

(i) Exclusion of coverage for classes of drugs as specified by contract;

(ii) Changes in prior or preauthorization procedures; [and]

(iii) CHANGES TO THE PREFERRED DRUG LIST ESTABLISHED UNDER § 15-118.1 OF THIS SUBTITLE; AND

(IV) Selection of new prescription claims processors.

(3) If the Program fails to provide advance notice as required under paragraph (1) of this subsection, it shall honor and pay in full any claim under the Program rules or requirements that existed before the change for 30 days after the postmarked date of the notice.

(4) Notwithstanding any other provision of law, the notice requirements of this subsection do not apply to the addition of new generic drugs authorized under § 12-504 of the Health Occupations Article.

(d) The Secretary shall adopt regulations to carry out the provisions of this section.

15-118.1.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "AUTHORIZED PRESCRIBER" MEANS:

(I) A LICENSED PHYSICIAN;

(II) A CERTIFIED NURSE PRACTITIONER AUTHORIZED TO PRESCRIBE DRUGS UNDER § 8-508 OF THE HEALTH OCCUPATIONS ARTICLE; OR

(III) ANY OTHER INDIVIDUAL AUTHORIZED BY LAW TO PRESCRIBE PRESCRIPTION OR NONPRESCRIPTION DRUGS.

(3) "COMMITTEE" MEANS THE STATE PHARMACEUTICAL AND THERAPEUTICS COMMITTEE ESTABLISHED UNDER SUBSECTION (E) OF THIS SECTION.

(4) (I) "MANUFACTURER" MEANS A MANUFACTURER OF PRESCRIPTION DRUGS AS DEFINED IN 42 U.S.C. § 1396R-8(K)(5).

(II) "MANUFACTURER" INCLUDES A SUBSIDIARY OR AFFILIATE OF A MANUFACTURER.

(5) "MARYLAND PHARMACY ASSISTANCE PROGRAM" OR "MPAP" MEANS THE MARYLAND PHARMACY ASSISTANCE PROGRAM ESTABLISHED UNDER § 15-124 OF THIS SUBTITLE.

(6) "MARYLAND PHARMACY DISCOUNT PROGRAM" OR "MPDP" MEANS THE MARYLAND PHARMACY DISCOUNT PROGRAM ESTABLISHED UNDER § 15-124.1 OF THIS SUBTITLE.

(7) "PREFERRED DRUG LIST" MEANS A LIST OF RECOMMENDED DRUGS DEVELOPED BY THE DEPARTMENT THAT IS BASED ON THE RECOMMENDATIONS OF THE COMMITTEE.

(8) "PROGRAM CONTRACTOR" MEANS A PERSON WHO CONTRACTS WITH THE DEPARTMENT TO PROVIDE PHARMACEUTICAL BENEFIT MANAGEMENT SERVICES FOR OUTPATIENT PRESCRIPTION DRUGS.

(9) "PHARMACEUTICAL BENEFIT MANAGEMENT SERVICES" INCLUDES SERVICES TO:

(I) NEGOTIATE OR COLLECT REBATES; OR

(II) IMPLEMENT, MANAGE, OR DEVELOP:

1. A FORMULARY;

2. A PREFERRED DRUG LIST;

3. A TREATMENT PROTOCOL OR GUIDELINE;

4. A STEP THERAPY; OR

5. ANY OTHER USE OF PRIOR AUTHORIZATION.

(10) "SINGLE SOURCE DRUG" MEANS A COVERED DRUG THAT IS PRODUCED OR DISTRIBUTED UNDER AN ORIGINAL NEW DRUG APPLICATION APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION, INCLUDING A DRUG PRODUCT MARKETED BY ANY CROSS-LICENSED PRODUCER OR DISTRIBUTOR OPERATING UNDER THE NEW DRUG APPLICATION.

(11) "THERAPEUTIC CHEMICAL CLASS" MEANS A GROUP OF PHARMACEUTICAL AGENTS APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION THAT:

(I) ARE USED TO TREAT THE SAME SPECTRUM OF DISORDERS WITH SIMILAR PATIENT OUTCOMES;

(II) HAVE SIMILAR EFFECTS ON ALL RELEVANT DRUG RECEPTORS OR OTHER BIOLOGICAL TARGETS ; AND

(III) HAVE SIMILAR TOLERABILITY THROUGHOUT THEIR CLINICALLY ACCEPTED DOSING RANGE ACROSS ALL RELEVANT PATIENT POPULATIONS.

(B) (1) THIS SECTION DOES NOT APPLY TO PROGRAM RECIPIENTS ENROLLED IN MANAGED CARE ORGANIZATIONS UNDER § 15-103 OF THIS SUBTITLE.

(2) THIS SECTION APPLIES TO THE PROGRAM, MPAP, AND MPDP.

(C) A PREFERRED DRUG LIST ESTABLISHED BY THE DEPARTMENT SHALL COMPLY WITH THE PROVISIONS OF 42 U.S.C. § 1396R-8.

(D) THE DEPARTMENT SHALL IMPLEMENT OTHER PROGRAM BENEFITS TO OFFSET PROGRAM, MPAP, OR MPDP EXPENDITURES INCLUDING:

(1) INTENSIFIED BENEFITS MANAGEMENT PROGRAMS FOR:

(I) NEW PROGRAM, MPAP, AND MPDP ENROLLEES;

(II) HIGH-COST DRUG UTILIZERS; AND

(III) RESIDENTS OF LONG-TERM CARE FACILITIES;

(2) DRUG PRODUCT DONATION PROGRAMS;

(3) DRUG UTILIZATION CONTROL PROGRAMS;

(4) PRESCRIBER, PROGRAM RECIPIENT, MPDP PARTICIPANT, AND MPAP PARTICIPANT:

(I) COUNSELING; AND

(II) EDUCATION WITH AN EMPHASIS ON COST-EFFECTIVE DRUG THERAPIES;

(5) INITIATIVES TO PREVENT FRAUD AND ABUSE; AND

(6) OTHER SERVICES OR ADMINISTRATIVE PROGRAMS TO REDUCE PROGRAM, MPDP, OR MPAP EXPENDITURES.

(E) (1) THERE IS A STATE PHARMACY AND THERAPEUTICS COMMITTEE WITHIN THE DEPARTMENT.

(2) THE PURPOSE OF THE COMMITTEE IS TO DEVELOP A PREFERRED DRUG LIST IN COMPLIANCE WITH 42 U.S.C. 1396R-8 AND THIS SECTION.

(3) THE COMMITTEE CONSISTS OF THE FOLLOWING 12 MEMBERS APPOINTED BY THE GOVERNOR:

(I) FIVE MEMBERS SHALL BE PHARMACISTS LICENSED AND DOMICILED IN THE STATE, INCLUDING AT LEAST:

1. ONE PHARMACIST WITH EXPERTISE WITH MENTAL HEALTH DRUGS; AND

2. ONE PHARMACIST REPRESENTING LONG-TERM CARE PHARMACIES;

(II) FIVE MEMBERS SHALL BE PHYSICIANS LICENSED AND DOMICILED IN THE STATE, INCLUDING ONE PSYCHIATRIST; AND

(III) TWO MEMBERS SHALL BE CONSUMER REPRESENTATIVES DOMICILED IN THE STATE, INCLUDING AT LEAST ONE PROGRAM RECIPIENT.

(4) IN APPOINTING THE MEMBERS OF THE COMMITTEE, THE GOVERNOR SHALL MAKE BEST EFFORTS TO ENSURE REPRESENTATION OF PHYSICIANS AND PHARMACISTS WHO:

(I) 1. PARTICIPATE IN THE PROGRAM; OR

2. HAVE PRACTICED UNDER OR DEVELOPED A PREFERRED DRUG LIST; AND

(II) ARE RECOMMENDED TO THE DEPARTMENT BY THE:

1. MEDICAL AND CHIRURGICAL FACULTY OF THE STATE OF MARYLAND;

2. MONUMENTAL CITY MEDICAL SOCIETY;

3. STATE BOARD OF PHARMACY; OR

4. TRADE ASSOCIATIONS REPRESENTING CHAIN AND INDEPENDENT PHARMACIES.

(5) (I) THE TERM OF A MEMBER IS 3 YEARS; AND

(II) A MEMBER MAY BE APPOINTED FOR MORE THAN ONE TERM.

(6) THE COMMITTEE SHALL ELECT A CHAIRMAN AND VICE CHAIRMAN FROM AMONG ITS MEMBERS.

(7) THE COMMITTEE SHALL MEET AT LEAST QUARTERLY AT THE TIMES AND PLACES IT DETERMINES.

(8) THE COMMITTEE SHALL:

(I) REVIEW, TO THE EXTENT FEASIBLE, ALL DRUG CLASSES INCLUDED ON A PREFERRED DRUG LIST AT LEAST ONCE EVERY 6 MONTHS;

(II) DEVELOP RECOMMENDATIONS FOR A PREFERRED DRUG LIST FOR THE PROGRAM BY CONSIDERING THE:

1. CLINICAL EVIDENCE FOUND IN LABELING, DRUG COMPENDIA, AND PEER REVIEWED CLINICAL LITERATURE PERTAINING TO THE USE OF THE DRUG IN THE RELEVANT PATIENT POPULATION;

2. COST EFFECTIVENESS OF THE DRUG; AND

3. NEEDS OF PROGRAM RECIPIENTS, INCLUDING THE:

A. EASE OF DRUG THERAPY ADMINISTRATION;

B. RATE OF COMPLIANCE WITH DRUG THERAPY INSTRUCTIONS; AND

C. FREQUENCY OF PRIOR AUTHORIZATION;

(III) PRIOR TO DEVELOPING RECOMMENDATIONS TO PLACE A SINGLE SOURCE DRUG ON PRIOR AUTHORIZATION, RESTRICT THE DRUG IN ITS USE, OR ESTABLISH A DRUG MONITORING PROCESS OR PROGRAM TO MEASURE OR RESTRICT UTILIZATION OF SINGLE SOURCE DRUGS, MAKE A WRITTEN DETERMINATION, AFTER CONSIDERING EVIDENCE AND CREDIBLE INFORMATION PROVIDED TO THE COMMITTEE BY THE DEPARTMENT AND THE PUBLIC, THAT PLACING A SINGLE SOURCE DRUG ON PRIOR AUTHORIZATION OR RESTRICTING THE DRUG'S USE WILL NOT:

1. IMPEDE THE QUALITY OF PATIENT CARE IN THE PROGRAM; OR

2. INCREASE COSTS IN OTHER PARTS OF THE PROGRAM, INCLUDING HOSPITAL COSTS, PHYSICIAN COSTS, OR MORTALITY AND MORBIDITY RATES;

(IV) PROVIDE A SPECIFIC SET OF CLINICAL CRITERIA FOR ANY DRUG SUBJECT TO PRIOR AUTHORIZATION THAT:

1. IS AVAILABLE TO PHYSICIANS AND PATIENTS; AND

2. SPECIFIES WHEN THAT DRUG IS AUTHORIZED FOR COVERAGE; AND

(V) MAKE RECOMMENDATIONS ON THE FOLLOWING ISSUES RELATED TO A PREFERRED DRUG LIST:

1. THE ADDITION OR DELETION OF EXISTING DRUGS AS NECESSARY;

2. PRIOR AUTHORIZATION CRITERIA;

3. CONDITIONS OR ILLNESSES TO BE EXEMPTED FROM PRIOR AUTHORIZATION BASED ON CLINICAL DATA; AND

4. CONSIDERATIONS FOR MEDICALLY ACCEPTED OFF-LABEL USE OF DRUGS APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION.

(F) A PREFERRED DRUG LIST DEVELOPED BY THE DEPARTMENT SHALL:

(1) PROVIDE FOR COVERAGE OF DRUGS IN EVERY THERAPEUTIC CHEMICAL CLASS;

(2) OFFER A CHOICE OF PHARMACEUTICALS OR BIOLOGICAL ENTITIES WITHOUT AN ADMINISTRATIVE PREFERENCE FOR EACH THERAPEUTICAL CHEMICAL CLASS IN WHICH THERE ARE TWO OR MORE PHARMACEUTICAL OR BIOLOGICAL ENTITIES APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION; AND

(3) PROVIDE THAT DRUGS IN THE SAME THERAPITICAL CHEMICAL CLASS THAT HAVE BEEN SELECTED FOR THE PREFERRED DRUG LIST MAY:

(I) BE EXCLUDED FROM THE PREFERRED DRUG LIST; AND

(II) BE SUBJECT TO PRIOR AUTHORIZATION, EXCEPT WHEN AN AUTHORIZED PRESCRIBER:

1. HAS PERSONALLY WRITTEN "DISPENSE AS WRITTEN" OR "D.A.W."; OR

2. HAS SIGNED THE PRESCRIBER'S NAME ON THE "DISPENSE AS WRITTEN" SIGNATURE LINE IN ACCORDANCE WITH § 12-504(B) OF THE HEALTH OCCUPATIONS ARTICLE.

(G) THE DEPARTMENT MAY NOT ESTABLISH PRIOR AUTHORIZATION REQUIREMENTS OR RESTRICT COVERAGE FOR MEDICATIONS USED TO TREAT:

(1) MENTAL ILLNESSES AND BRAIN DISORDERS, INCLUDING:

(I) ATYPICAL ANTIPSYCHOTIC MEDICATIONS;

(II) CONVENTIONAL ANTIPSYCHOTIC MEDICATIONS;

(III) ACTIVE SEROTONIN RE-UPTAKE INHIBITORS;

(IV) ATYPICAL ANTIDEPRESSANTS; AND

(V) DRUGS TO TREAT EPILEPSY AND OTHER CENTRAL NERVOUS SYSTEM BRAIN DISORDERS;

(2) THE HUMAN IMMUNODEFICIENCY VIRUS (HIV) OR THE ACQUIRED IMMUNE DEFICIENCY SYNDROME (AIDS); AND

(3) END-STAGE RENAL DISEASE.

(H) FOR ANY PRESCRIPTION DRUG SUBJECT TO PRIOR AUTHORIZATION, THE DEPARTMENT SHALL IMPLEMENT PROCEDURES TO ENSURE THAT:

(1) THE PROVIDER OR THE AUTHORIZED PRESCRIBER WHO ORDERS A DRUG THAT IS SUBJECT TO PRIOR AUTHORIZATION:

(I) CONTACTS THE DEPARTMENT OR ITS DESIGNEE THROUGH A 24-HOUR HOTLINE ESTABLISHED BY THE DEPARTMENT TO REQUEST PRIOR AUTHORIZATION; AND

(II) PROVIDES ANY REQUIRED INFORMATION AND DOCUMENTATION;

(2) THE DEPARTMENT OR ITS DESIGNEE RESPONDS TO A REQUEST FOR PRIOR AUTHORIZATION BY TELEPHONE OR OTHER TELECOMMUNICATIONS REQUEST WITHIN 24 HOURS OF RECEIPT OF A REQUEST FOR PRIOR AUTHORIZATION;

(3) A 72-HOUR SUPPLY OF THE PRESCRIBED DRUG IS AUTHORIZED:

(I) IN AN EMERGENCY AS DETERMINED BY THE PHARMACIST, IF POSSIBLE, IN CONSULTATION WITH THE AUTHORIZED PRESCRIBER; OR

(II) WHEN THE DEPARTMENT DOES NOT PROVIDE A RESPONSE TO A PREAUTHORIZATION REQUEST WITHIN 24 HOURS; AND

(4) ANY DECISION OF THE COMMITTEE THAT IS CONTRARY TO THE CLINICAL EVIDENCE FOUND IN LABELING, DRUG COMPENDIA, OR PEER REVIEWED LITERATURE IS JUSTIFIED BY THE COMMITTEE IN WRITING.

(I) PRIOR AUTHORIZATION DOES NOT GUARANTEE ELIGIBILITY OR REIMBURSEMENT AND ALL OTHER PROGRAM RESTRICTIONS AND REQUIREMENTS REMAIN IN EFFECT.

(J) (1) THE DEPARTMENT OR ITS DESIGNEE SHALL RESPOND WITHIN 48 HOURS OF RECEIVING ALL NECESSARY DOCUMENTATION OF A WRITTEN REQUEST FROM A RECIPIENT OR PROVIDER FOR RECONSIDERATION OF AN ADVERSE DECISION ON A PRIOR AUTHORIZATION REQUEST.

(2) THE DEPARTMENT OR ITS DESIGNEE SHALL ENSURE THAT ALL RECONSIDERATIONS OF ADVERSE DECISIONS ARE REVIEWED AND ISSUED BY A PHYSICIAN.

(3) THE DEPARTMENT SHALL ENSURE THAT A PROGRAM RECIPIENT, AN MPDP PARTICIPANT, AN MPAP PARTICIPANT, OR AN AUTHORIZED PRESCRIBER RECEIVES A RESPONSE TO A RECONSIDERATION WITHIN 48 HOURS.

(K) THE DEPARTMENT OR ITS DESIGNEE MAY:

(1) REQUIRE PRIOR AUTHORIZATION FOR MORE THAN 10 PRESCRIPTIONS INCLUDING REFILLS PER 30-DAY PERIOD PER NONINSTITUTIONALIZED RECIPIENT; AND

(2) EXCLUDE CERTAIN DRUGS SUCH AS ANTIBIOTICS FROM THE 10-DRUG LIMIT AS APPROPRIATE.

(L) A SINGLE SOURCE DRUG THAT HAS BEEN RECENTLY APPROVED BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION MAY BE INCLUDED ON THE PREFERRED DRUG LIST FOR A PERIOD OF 6 MONTHS, UNLESS THE COMMITTEE RECOMMENDS TO THE DEPARTMENT THAT THE DRUG SHOULD BE EXCLUDED FROM THE PREFERRED DRUG LIST.

(M) ALL REQUESTS FOR PRIOR AUTHORIZATION SHALL BE APPROVED BY AN AUTHORIZED PRESCRIBER WITHIN THE DEPARTMENT.

(N) THE DEPARTMENT MAY NOT LIMIT OR EXCLUDE COVERAGE FOR A DRUG THAT IS SAFE AND EFFECTIVE FOR A MEDICAL CONDITION IF THE DRUG:

(1) HAS BEEN APPROVED PREVIOUSLY BY THE DEPARTMENT FOR THE ENROLLEE'S MEDICAL CONDITION; AND

(2) IS PRESCRIBED FOR A MEDICAL CONDITION OF AN ENROLLEE, INCLUDING A CHRONIC CONDITION.

(O) THE DEPARTMENT SHALL:

(1) INFORM THE COMMITTEE OF ANY DECISIONS REGARDING PRESCRIPTION DRUGS SUBJECT TO PRIOR AUTHORIZATION;

(2) MAINTAIN AN UPDATED VERSION OF THE PREFERRED DRUG LIST ON THE DEPARTMENT'S INTERNET WEBSITE;

(3) ENSURE, BASED ON TIMELY NOTICE FROM THE MANUFACTURER, THAT ANY NEW PRODUCTS ARE REVIEWED AT THE NEXT REGULARLY SCHEDULED MEETING OF THE COMMITTEE; AND

(4) PROVIDE ALL INTERESTED PARTIES, INCLUDING MANUFACTURERS, AUTHORIZED PRESCRIBERS, AND THE GENERAL PUBLIC WITH AN OPPORTUNITY TO PRESENT CLINICAL DATA THROUGH BOTH ORAL AND WRITTEN TESTIMONY TO THE COMMITTEE.

(P) (1) IF THE DEPARTMENT CONTRACTS FOR PHARMACEUTICAL BENEFIT MANAGEMENT SERVICES TO ADMINISTER, DEVELOP, MANAGE, OR IMPLEMENT ANY PROVISION OF THIS SECTION, THE DEPARTMENT SHALL ESTABLISH THE FEE PAID TO ANY PROGRAM CONTRACTOR BASED ON THE REASONABLE COSTS OF SERVICES PROVIDED.

(2) (I) THE DEPARTMENT MAY NOT OFFER OR PAY DIRECTLY OR INDIRECTLY ANY MATERIAL INDUCEMENTS, BONUSES, OR OTHER FINANCIAL INCENTIVE TO A PROGRAM CONTRACTOR BASED ON THE:

1. DENIAL OR ADMINISTRATIVE DELAY OF MEDICALLY APPROPRIATE PRESCRIPTION DRUG THERAPY;

2. DECREASED USAGE OF A PARTICULAR DRUG OR CLASS OF DRUGS; OR

3. REDUCTION IN THE PROPORTION OF BENEFICIARIES WHO RECEIVE PRESCRIPTION DRUG THERAPY UNDER THE PROGRAM.

(II) BONUSES MAY NOT BE BASED ON PERCENTAGE COST SAVINGS OF THE PROGRAM.

(Q) THE DEPARTMENT MAY NOT NEGOTIATE SUPPLEMENTAL REBATES WITH MANUFACTURERS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2003.