

House Bill 139

By: Representatives Jones of the 25th, Hawkins of the 27th, Hatchett of the 155th, Cannon of the 172nd, Jackson of the 128th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 6 of Chapter 4 of Title 26 of the Official Code of Georgia Annotated,
2 relating to pharmacies, so as to prohibit drug manufacturers and wholesalers from preventing
3 a licensed pharmacy from acquiring and dispensing drugs purchased from entities that
4 participate in a particular federal drug discount program; to provide for definitions; to
5 provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 6 of Chapter 4 of Title 26 of the Official Code of Georgia Annotated, relating to
9 pharmacies, is amended by adding a new Code section to read as follows:

10 "26-4-120.

11 (a) As used in this Code section, the term:

12 (1) 'Contract pharmacy arrangement' means a legal agreement between a hospital or
13 other healthcare provider and a pharmacy where the pharmacy agrees to dispense
14 medications to the hospital's or other healthcare provider's patients at a discounted price.

15 (2) 'Covered entity' means an entity participating in or authorized to participate in the
16 federal 340B drug discount program, as described in 42 U.S.C. Section 256b, including

17 its pharmacy, or any pharmacy contracted with the participating entity to dispense drugs
18 purchased through such program.

19 (b) Neither a manufacturer nor a wholesale distributor shall deny, restrict, prohibit, or
20 otherwise prevent, either directly or indirectly, the acquisition by or dispensing of drugs
21 from a pharmacy licensed pursuant to this chapter that receives drugs purchased under a
22 contract pharmacy arrangement with a covered entity.

23 (c) Neither a manufacturer nor a wholesale distributor shall deny, restrict, prohibit, or
24 otherwise prevent, either directly or indirectly, a pharmacy licensed pursuant to this chapter
25 from contracting or participating with a covered entity by denying access to drugs that are
26 manufactured or distributed by such manufacturer or wholesale distributor.

27 (d) Neither a manufacturer or a wholesale distributor nor an agent or an affiliate of such
28 manufacturer or wholesale distributor shall, either directly or indirectly, require a covered
29 entity to submit any claims or utilization data as a condition for allowing the acquisition
30 of drugs by or delivery of drugs to a covered entity unless the claims or utilization data
31 sharing is required by the United States Department of Health and Human Services.

32 (e)(1) A violation of this Code section shall constitute an unfair or deceptive act or
33 practice and shall be a violation of Part 2 of Article 15 of Chapter 1 of Title 10, the 'Fair
34 Business Practices Act of 1975.'

35 (2) A violation of this Code section may be penalized as provided in this chapter or any
36 other applicable provision of law in this state, including, but not limited to, the 'Fair
37 Business Practices Act of 1975.'

38 **SECTION 2.**

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