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HOUSE BILL 334

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

John A. Heaton

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE
AND THE LEGISLATIVE HEALTH SUBCOMMITTEE

AN ACT

RELATING TO PRESCRIPTION DRUGS; REQUIRING REPORTING OF CERTAIN
PRICES TO THE HUMAN SERVICES DEPARTMENT; PROVIDING
LIMITATIONS; PROVIDING FOR ENFORCEMENT; MAKING AN
APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. AVERAGE MANUFACTURER PRICE-- FILING--
REPORTING.--

A. A person who manufactures a prescription drug,
including a generic prescription drug, that is sold in New
Mexico shall file with the human services department:

(1) the average manufacturer price for the
drug; and

(2) the price that each wholesaler in this
state pays the manufacturer to purchase the drug.

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1 B. The information required under Subsection A of
2 this section shall be filed annually or more frequently, as
3 determined by the human services department.

4 C. A person who engages in the wholesale
5 distribution of prescription drugs in New Mexico shall file
6 with the human services department information showing the
7 actual price at which the wholesaler or distributor sells a
8 particular drug to a pharmacy.

9 D. As used in this section, "average manufacturer
10 price" means the average price paid to the manufacturer for
11 the drug in New Mexico, including rebates, discounts and
12 market incentives, by wholesalers for drugs distributed to
13 pharmacies, by class of trade, after deducting customary
14 prompt-pay discounts.

15 Section 2. DISCLOSURE--LIMITATIONS.--Disclosure of
16 information acquired pursuant to Section 1 of this act shall
17 not identify a specific manufacturer, wholesaler or
18 distributor by name or the prices charged by a specific
19 manufacturer, wholesaler or distributor for a specific
20 prescription drug.

21 Section 3. ENFORCEMENT.--The office of the attorney
22 general may take action to investigate and enforce the
23 requirements of Section 1 of this act.

24 Section 4. APPROPRIATION.--Twenty-five thousand dollars
25 (\$25,000) is appropriated from the general fund to the human

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1 services department for expenditure in fiscal year 2003 to
2 process information received pursuant to Section 1 of this
3 act. Any unexpended or unencumbered balance remaining at the
4 end of fiscal year 2003 shall revert to the general fund.