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Date: (Filing No. S- )

**HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES**

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE  
SENATE  
130TH LEGISLATURE  
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 380, L.D. 1117, “An Act To Prevent Excessive Prices for Prescription Drugs”

Amend the bill by striking out the title and substituting the following:

**'Resolve, To Identify Generic or Off-patent Prescription Drugs with Excessive Price Increases in the State'**

Amend the bill by striking out everything after the title and inserting the following:

**'Sec. 1. Identification of generic or off-patent prescription drugs with excessive price increases. Resolved:** That the Maine Health Data Organization shall identify each generic or off-patent prescription drug that during 2020 and, to the extent information is available, during 2021 had an excessive price increase and identify the manufacturer of that drug. For the purposes of this resolve, a price increase of a generic or off-patent prescription drug is excessive when the price increase, adjusted for inflation using the Consumer Price Index, exceeds 20% of the wholesale acquisition cost per pricing unit during calendar year 2019 and the cost of the drug is at least \$10 per pricing unit as defined in the Maine Revised Statutes, Title 22, section 8731, subsection 5.

**Sec. 2. Additional information required. Resolved:** That, in addition to the identification under section 1 of the generic or off-patent prescription drugs having an excessive price increase and the manufacturers of those drugs, the Maine Health Data Organization shall determine the following for a prescription drug manufacturer of each generic or off-patent prescription drug identified as having an excessive price increase:

- 1. An accounting of all revenues generated in this State from the sale of a drug with an excessive price increase, comparing the sales in this State in 2019 before the excessive price increase to the sales in this State in 2020 and 2021, if information is available, during the period in which the excessive price increase applied;
- 2. An itemization of the components of the cost of producing the drug;

**COMMITTEE AMENDMENT**

1 3. Information identifying the circumstances and timing of any increase in materials  
2 or manufacturing costs that caused any increase during 2020 and 2021, if information is  
3 available, in the price of the drug; and

4 4. Any other information that the organization or the prescription drug manufacturer  
5 believes to be pertinent to a determination of whether an excessive price increase has  
6 occurred.

7 **Sec. 3. Report. Resolved:** That, by March 1, 2022, the Maine Health Data  
8 Organization shall provide a report to the Joint Standing Committee on Health Coverage,  
9 Insurance and Financial Services with the information required under sections 1 and 2. The  
10 Joint Standing Committee on Health Coverage, Insurance and Financial Services may  
11 report out legislation on the basis of the report during the Second Regular Session of the  
12 130th Legislature.'

13 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
14 number to read consecutively.

### 15 SUMMARY

16 This amendment replaces the bill with a resolve. The amendment directs the Maine  
17 Health Data Organization to identify the generic or off-patent prescription drugs that have  
18 had an excessive price increase in 2020 and 2021, to the extent information is available,  
19 and identify the manufacturers of those drugs. The amendment defines a price increase as  
20 excessive when the price increase exceeds 20% of the wholesale acquisition cost per  
21 pricing unit during calendar year 2019 and the cost of the drug is at least \$10 per pricing  
22 unit. In addition to identifying those drugs and manufacturers of those drugs having an  
23 excessive price increase, the amendment requires the Maine Health Data Organization to  
24 provide certain information, including all revenues generated by the manufacturer from the  
25 sale in Maine of those drugs having an excessive price increase, an itemization of the  
26 components of the cost of producing the drug, information identifying the circumstances  
27 and timing of any increase in materials or manufacturing costs that caused any increase  
28 during the preceding year in the price of the drug and any other information that the  
29 organization or the prescription drug manufacturer believes to be pertinent to a  
30 determination of whether an excessive price increase has occurred. The Maine Health Data  
31 Organization is required to submit a report to the Joint Standing Committee on Health  
32 Coverage, Insurance and Financial Services, and the committee has authority to report out  
33 legislation based on the report to the Second Regular Session of the 130th Legislature.

### 34 FISCAL NOTE REQUIRED

35 (See attached)