

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## SENATE BILL

No. 1167 Session of  
2004

INTRODUCED BY CONTI, PIPPY, GREENLEAF, O'PAKE, KUKOVICH,  
WOZNIAK, ERICKSON, WENGER, WONDERLING, LEMMOND, STOUT,  
D. WHITE, ORIE AND CORMAN, JUNE 22, 2004

SENATOR THOMPSON, APPROPRIATIONS, RE-REPORTED AS AMENDED,  
NOVEMBER 10, 2004

## AN ACT

1 Amending the act of August 26, 1971 (P.L.351, No.91), entitled  
2 "An act providing for a State Lottery and administration  
3 thereof; authorizing the creation of a State Lottery  
4 Commission; prescribing its powers and duties; disposition of  
5 funds; violations and penalties therefor; exemption of prizes  
6 from State and local taxation and making an appropriation,"  
7 further providing for amount of rebate for certain  
8 prescription drugs.

9 The General Assembly of the Commonwealth of Pennsylvania  
10 hereby enacts as follows:

11 Section 1. Section 705(c.1) of the act of August 26, 1971  
12 (P.L.351, No.91), known as the State Lottery Law, added November  
13 26, 2003 (P.L.212, No.37), is amended to read:

14 Section 705. Amount of rebate.

15 \* \* \*

16 (c.1) Rebates for other [drugs for quarters beginning after <—  
17 December 31, 2003.--For quarters beginning after December 31,  
18 2003, all of the following shall apply:

19 (1) the amount of the rebate to the Commonwealth for a  
20 calendar quarter with respect to covered prescription drugs

1 which are noninnovator multiple-source drugs shall be equal  
2 to the product of:

3 (i) the applicable percentage of the average  
4 manufacturer price, after deducting customary prompt  
5 payment discounts, for each dosage form and strength of  
6 such drugs for the quarter; and

7 (ii) the number of units of such form and dosage  
8 reimbursed by PACE, PACENET and designated pharmaceutical  
9 programs in the quarter.

10 (2) For purposes of paragraph (1) ~~and notwithstanding~~ <—

11 ~~any provision of any other act to the contrary~~, the

12 applicable percentage ~~{is 14%} shall be no more than 11%.~~ <—

13 DRUGS.--FOR QUARTERS BEGINNING AFTER DECEMBER 31, 2003, EACH <—

14 MANUFACTURER SHALL REMIT A REBATE TO THE COMMONWEALTH FOR THE

15 TOTAL NUMBER OF UNITS OF EACH DOSAGE FORM AND STRENGTH

16 REIMBURSED BY PACE, PACENET AND DESIGNATED PHARMACEUTICAL

17 PROGRAMS IN THE QUARTER PURSUANT TO THE DETERMINATION

18 ESTABLISHED BY SECTION 1927(C)(3) OF THE SOCIAL SECURITY ACT

19 (49 STAT. 620, 42 U.S.C. 1396R-8(C)(3)).

20 \* \* \*

21 Section 2. The amendment of section 705(c.1) of the act  
22 shall be retroactive to January 1, 2004.

23 Section 3. This act shall take effect immediately.