SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 5302

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DATE	D-PG	OFFICIAL STATUS
05/16/2026	10816	Introduction and first reading Referred to Health and Human Services

A bill for an act

relating to health care; establishing prices for prescription drugs subject to the Medicare Drug Price Negotiation Program; proposing coding for new law in Minnesota Statutes, chapter 62Q.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[62Q.586] MAXIMUM FAIR PRICE FOR CERTAIN PRESCRIPTION DRUGS.**

Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have the meanings given.

(b) "Manufacturer" has the meaning given in section 151.01, subdivision 14a.

(c) "Maximum fair price" means the maximum fair price established for a prescription drug by the United States Department of Health and Human Services under United States Code, title 42, section 1320f-3.

(d) "NADAC" means the national average drug acquisition cost.

(e) "Pharmacy benefit manager" means a pharmacy benefit manager licensed under chapter 62W.

(f) "Referenced drug" means a prescription drug subject to a maximum fair price.

Subd. 2. **Maximum fair price requirements.** (a) A manufacturer is prohibited from accepting payment at an amount higher than the maximum fair price for the sale of a referenced drug intended for use by individuals in the state in person, by mail, or by any other means, plus any applicable pharmacy dispensing fees and provider administration fees.

(b) A health plan and a pharmacy benefit manager must not reimburse a pharmacy for a referenced drug at an amount that is less than the maximum fair price or the NADAC, whichever is greater, plus any established dispensing fee for the referenced drug. No provision of this section shall be construed to prevent a pharmacy from receiving a dispensing fee above the maximum fair price for a referenced drug.

(c) A health plan and a pharmacy benefit manager must, upon request, provide to the Prescription Drug Affordability Board established under section 62J.87, financial information, including administrative fees, formulary management fees, rebate retention, network access fees, shared savings programs, and the total and final payment details, including the ingredient cost and any dispensing fee, paid or payable by the health plan or pharmacy benefit manager to a pharmacy for dispensing a referenced drug. The information must include all associated fees, adjustments, and reconciliations. The information is subject to the data requirements under section 62J.91, subdivision 3.

Subd. 3. **Prohibition on withdrawing a referenced drug from sale.** (a) A manufacturer is prohibited from removing a drug from sale or distribution in the state for the purpose of avoiding the impact of the rate limitations in this section unless the manufacturer provides a written notice of withdrawal to the commissioner of health within 180 days prior to the withdrawal.

(b) The commissioner of health shall assess a penalty on any manufacturer that has withdrawn a referenced drug from sale or distribution in the state in violation of paragraph (a). With respect to each referenced drug withdrawn by the manufacturer, the civil penalty shall be equal to the greater of:

(1) $100,000; or

(2) the total amount of annual savings for the referenced drug, as determined by the Prescription Drug Affordability Board.

EFFECTIVE DATE. This section is effective January 1, 2027.