62J.842 EXCESSIVE PRICE INCREASES PROHIBITED.

Subdivision 1. **Prohibition.** No manufacturer shall impose, or cause to be imposed, an excessive price increase, whether directly or through a wholesale distributor, pharmacy, or similar intermediary, on the sale of any generic or off-patent drug sold, dispensed, or delivered to any consumer in the state.

Subd. 2. **Excessive price increase.** A price increase is excessive for purposes of this section when:

(1) the price increase, adjusted for inflation utilizing the Consumer Price Index, exceeds:

(i) 15 percent of the wholesale acquisition cost over the immediately preceding calendar year; or

(ii) 40 percent of the wholesale acquisition cost over the immediately preceding three calendar years; and

(2) the price increase, adjusted for inflation utilizing the Consumer Price Index, exceeds $30 for:

(i) a 30-day supply of the drug; or

(ii) a course of treatment lasting less than 30 days.

Subd. 3. **Exemption.** It is not a violation of this section for a wholesale distributor or pharmacy to increase the price of a generic or off-patent drug if the price increase is directly attributable to additional costs for the drug imposed on the wholesale distributor or pharmacy by the manufacturer of the drug.

History: *2023 c 57 art 2 s 23*

NOTE: This section was found to be unconstitutional in violation of the interstate dormant Commerce Clause of the United States Constitution as applied to certain sales of generic or off-patent drugs occurring in *Association for Accessible Medicines v. Ellison*, 704 F.Supp.3d 947 (D. Minn. 2023), *affirmed*, 140 F.4th 957 (8th Cir. 2025).