

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Health Care to which was referred House Bill No. 577  
3 entitled “An act relating to establishing the Vermont Prescription Drug  
4 Discount Card Program” respectfully reports that it has considered the same  
5 and recommends that the bill be amended by striking out all after the enacting  
6 clause and inserting in lieu thereof the following:

7 Sec. 1. 18 V.S.A. chapter 91, subchapter 7 is added to read:

8 Subchapter 7. Vermont Prescription Drug Discount Card Program

9 § 4691. VERMONT PRESCRIPTION DRUG DISCOUNT CARD

10 PROGRAM

11 (a) There is established the Vermont Prescription Drug Discount Card  
12 Program, administered by the Office of the State Treasurer, for the purpose of  
13 pooling prescription drug purchasing power with other U.S. states and  
14 territories and nongovernmental organizations. The Program shall be made  
15 available to all Vermont residents.

16 (b)(1) To further the purposes of the Program, the State Treasurer may  
17 cooperate with other U.S. states and territories, regional consortia, or  
18 nongovernmental organizations, or a combination of these, to pool prescription  
19 drug purchasing power to:

20 (A) reduce prescription drug costs;

21 (B) negotiate discounts with prescription drug manufacturers;

1                   (C) centralize prescription drug purchasing; and

2                   (D) establish volume discount contracting.

3                   (2) As used in subdivision (1)(D) of this subsection, “volume discount  
4                   contracting” means the negotiated purchase of a large quantity of a prescription  
5                   drug at a decreased cost.

6                   (c) The Treasurer may require that reasonable fees be charged to defray  
7                   Program costs. Notwithstanding any provision of 32 V.S.A. § 603 to the  
8                   contrary, the amount and method of collection of any fee shall be determined  
9                   by the Treasurer based on actual costs.

10                   (d) The amount paid for a prescription drug after application of the  
11                   Vermont Prescription Drug Discount Card by an individual who is covered by  
12                   a health insurance plan, as defined in 8 V.S.A. § 4011, shall be attributed  
13                   toward the covered individual’s deductible and out-of-pocket responsibilities  
14                   in accordance with 8 V.S.A. § 4093 and section 3612 of this title.

15                   (e) On or before January 15, 2028, and annually thereafter, the State  
16                   Treasurer shall submit a report to the House Committee on Health Care, the  
17                   Senate Committee on Health and Welfare, and the Governor detailing the  
18                   activities of the Program during the previous calendar year, including the  
19                   number of Vermont residents and pharmacies participating in the Program, the  
20                   amount of savings on prescription drug costs achieved, and the balance in the  
21                   Vermont Prescription Drug Discount Card Program Fund.

1        § 4692. VERMONT PRESCRIPTION DRUG DISCOUNT CARD

2            PROGRAM FUND

3        (a) The Vermont Prescription Drug Discount Card Program Fund is  
4        established as a special fund to be administered by the State Treasurer to  
5        support the Vermont Prescription Drug Discount Card Program established in  
6        this subchapter.

7        (b) The Fund shall consist of:

8            (1) any monies appropriated to the Fund by the General Assembly;  
9            (2) any monies transferred to the Fund from the federal government,  
10        other State agencies, or other government source;  
11        (3) any monies from the payment of fees or other monies due to the  
12        Program; and

13        (4) any gifts, grants, or donations made to the Fund and any gifts, grants,  
14        donations, or investments received by the Treasurer for the Program.

15        (c) The Treasurer shall credit to the Fund all interest earned on Fund  
16        balances and any other income derived from the deposit and investment of  
17        monies in the Fund.

18        (d) Any unexpended and unencumbered monies in the Fund at the end of a  
19        fiscal year shall remain in the Fund.

20        Sec. 2. 8 V.S.A. § 4093 is amended to read:

21        § 4093. RETAIL PHARMACIES; FILLING OF PRESCRIPTIONS

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2 (c)(1) A health insurer or pharmacy benefit manager shall permit a  
3 participating network pharmacy to perform all pharmacy services within the  
4 lawful scope of the profession of pharmacy as set forth in 26 V.S.A. chapter  
5 36.

6 (2) A health insurer or pharmacy benefit manager shall not do any of the  
7 following:

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\* \* \*

9 (F)(i) Exclude any amount paid by or on behalf of a covered  
10 individual, including any third-party payment, financial assistance, discount,  
11 discount card, coupon, or other reduction, regardless of whether the individual  
12 purchased the drug with or without using coverage for the drug under any  
13 health insurance plan, when calculating a covered individual's contribution  
14 toward:

15 (I) the out-of-pocket limits for prescription drug costs under  
16 section 4092 of this title;

17 (II) the covered individual's deductible, if any; or

18 (III) to the extent not inconsistent with Sec. 2707 of the Public  
19 Health Service Act, 42 U.S.C. § 300gg-6, the annual out-of-pocket maximums  
20 applicable to the covered individual's health benefit plan.



16 (e)(1) A pharmacy benefit manager shall not require a covered person  
17 purchasing a covered prescription drug to pay an amount greater than the lesser  
18 of:  
19 (A) the cost-sharing amount under the terms of the health benefit  
20 plan, as determined in accordance with subdivision (2) of this subsection (e);  
21 (B) the maximum allowable cost for the drug; or

1 (C) the amount the covered person would pay for the drug if the  
2 covered person were to pay the pharmacy's usual and customary cash price,  
3 after application of any known discounts, if the covered person were paying  
4 the cash price instead of using the drug benefit; provided, however, that as  
5 used in this subdivision (C), the term "discount" does not include a  
6 prescription drug discount card or other third-party prescription drug benefit  
7 program.

15 (i) the out-of-pocket limits for prescription drug costs under 8

16 V.S.A. § 4092;

17 (ii) the covered person's deductible, if any; and

18 (iii) to the extent not inconsistent with Sec. 2707 of the Public

19 Health Service Act, 42 U.S.C. § 300gg-6, the annual out-of-pocket maximums  
20 applicable to the covered person's health benefit plan.





1       additional financial support is determined to be necessary to administer the  
2       Program.

3 Sec. 5. VERMONT PRESCRIPTION DRUG DISCOUNT CARD  
4 PROGRAM; EVALUATION AND START-UP FUNDING

5           In fiscal year 2027, the sum of \$50,000.00 is appropriated from the General  
6           Fund to the Office of the State Treasurer for the costs of developing and  
7           implementing the Vermont Prescription Drug Discount Card Program as set  
8           forth in this act.

## 9 Sec. 6. EFFECTIVE DATE

10 This act shall take effect on July 1, 2026.

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(Committee vote: \_\_\_\_\_)

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Representative \_\_\_\_\_

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