

1427 fact that the individual did not serve as an executive officer of the company at the end of the last
1428 completed fiscal year; and (v) a company's directors.

1429 SECTION 128. Section 3 of chapter 175H of the General Laws, as appearing in the 2010
1430 Official Edition, is hereby amended by striking out, in line 1, the word "Any" and inserting in
1431 place thereof the following word:- (a) Any.

1432 SECTION 129. Said section 3 of said chapter 175H, as so appearing, is hereby further amended
1433 by inserting after word "rebate", in line 7, the following words:- , except as provided in
1434 subsection (b).

1435 SECTION 130. Said section 3 of said chapter 175H, as so appearing, is hereby further amended
1436 by adding the following 3 subsections:-

1437 (b)(1) This section shall not apply to any discount or free product vouchers that a retail
1438 pharmacy provides to a consumer in connection with a pharmacy service, item or prescription
1439 transfer offer or to any discount, rebate, product voucher or other reduction in an individual's
1440 out-of-pocket expenses, including co-payments and deductibles, on: (i) any biological product as
1441 defined in section 351 of the Public Health Service Act, 42 USC 262, or (ii) any prescription
1442 drug provided by a pharmaceutical manufacturing company, as defined in section 1 of chapter
1443 111N, that is made available to an individual if the discount, rebate, product voucher or other
1444 reduction is provided directly or electronically to the individual or through a point of sale or
1445 mail-in rebate, or through similar means; provided, however, that a pharmaceutical
1446 manufacturing company shall not exclude or favor any pharmacy in the redemption of such
1447 discount, rebate, product voucher or other expense reduction offer to a consumer.

1448 (2) Pharmaceutical manufacturing companies shall be prohibited from offering any
1449 discount, rebate, product voucher or other reduction in an individual's out-of-pocket expenses,
1450 including co-payments and deductibles, for any prescription drug that has an AB rated generic
1451 equivalent as determined by the United States Food and Drug Administration.

1452 (c) Subsection (b) shall not: (i) restrict a pharmaceutical manufacturing company with
1453 regard to how it distributes a prescription drug, biologic or vaccine; (ii) restrict a carrier or a
1454 health maintenance organization, as defined in section 1 of chapter 118G, with regard to how its
1455 plan design will treat such discounts, rebates, product voucher or other reduction in out-of-
1456 pocket expenses; or (iii) affect the obligations of practitioners and pharmacists pursuant to the
1457 generic substitution statute as defined in section 12D of chapter 112.

1458 (d) For purposes of the federal Health Insurance Portability and Accountability Act of
1459 1996, hereinafter referred to as HIPAA, and regulations promulgated under HIPAA, nothing in

1460 this section shall be deemed to require or allow the use or disclosure of health information in any
1461 manner that does not otherwise comply with HIPAA or regulations promulgated under HIPAA.

1462 SECTION 131. Said section 3 of said chapter 175H, as so appearing, is hereby amended by
1463 striking out subsections (b) to (d), inclusive.

1464 SECTION 132. Section 3 of chapter 176Q of the General Laws is hereby amended by striking
1465 out, in lines 84 and 85, as so appearing, the words “the board deems necessary to implement
1466 chapters 111M, 118G and 118H” and inserting in place thereof the following words:- ,
1467 departments, commissions, authorities or political subdivisions the board considers necessary or
1468 appropriate to implement chapters 111M, 118E, 118G 118H and this chapter.

1469 SECTION 133. Said section 3 of said chapter 176Q, as amended by section 7 of chapter 96 of
1470 the acts of 2012, is hereby further amended by adding the following clause:-

1471 (v) to enter into contracts or agreements, at the board’s discretion, with state departments,
1472 agencies, commissions, authorities or political subdivisions or with any individuals, groups,
1473 nonprofit or not-for-profit corporations, organizations or associations seeking affordable health
1474 insurance; provided, however, that the connector shall serve as an agent or advisor to assist with
1475 or procure health insurance for such entities or persons. The board shall give preference to
1476 assisting nonprofit or not-for-profit corporations or individuals, groups, organizations or
1477 associations seeking the connector’s assistance for populations that have been historically
1478 uninsured or underinsured.

1479 SECTION 134. Said chapter 176Q is hereby further amended by striking out section 7A, as
1480 appearing in the 2010 Official Edition, and inserting in place thereof the following section:-

1481 Section 7A. (a) There shall be a small group wellness incentive pilot program to expand
1482 the prevalence of employee wellness initiatives by small businesses. The program shall be
1483 administered by the board, in consultation with the department of public health. The program
1484 shall provide subsidies and technical assistance for eligible small groups to implement evidence-
1485 based employee health and wellness programs to improve employee health, decrease employer
1486 health costs and increase productivity.

1487 (b) An eligible small group shall be qualified to participate in the program if:

1488 (1) the eligible small group purchases group coverage through the connector;

1489 (2) the eligible small group enrolls in an evidence-based, employee wellness program
1490 offered through the connector;