WEST VIRGINIA CODE: §33-54-2

§33-54-2. Definitions.

For the purpose of this article:

"Auditor" means the State Auditor of West Virginia, by himself or herself, or by any person appointed, designated, or approved by the State Auditor to perform the service.

"Brand-name drug" means a prescription drug approved under 21 USC §355(b) or 42 USC §262.

"Drug" or "prescription drug" refers to a brand-name, specialty, or generic prescription drug.

"Drug manufacturer" means any entity that holds the national drug code for a prescription drug and is engaged in the production, preparation, propagation, compounding, conversion, or processing of drug products; or is engaged in the packaging, repackaging, labeling, relabeling, or distribution of drug products, and is not a wholesale distributor of drugs or a retail pharmacy licensed under state law.

"Generic drug" means a prescription drug approved under 21 USC §355(j).

"Health benefit plan" means an individual, blanket, or group plan, policy, or contract for health care services issued or delivered by a health benefit plan issuer in the state.

"Health benefit plan issuer" means an entity subject to the insurance laws and rules of this state, or subject to the jurisdiction of the Insurance Commissioner, that contracts or offers to contract, or enters into an agreement to provide, deliver, arrange for, pay for, or reimburse any of the costs of health care services, including government agencies and any insurer subject to §5-16-1 *et seq.*, §33-15-1 *et seq.*, §33-16-1 *et seq.*, §33-24-1 *et seq.*, §33-25-1 *et seq.*, and §33-25A-1 *et seq.* of this code. For purposes of this article, the term "health benefit plan issuer" does not include insurers or managed care organizations with respect to their Medicaid or CHIP plans or contracts which are reviewed and approved by the Bureau of Medical Services.

"Market introduction" means the month and year in which the manufacturer acquired or first marketed the drug for sale in the United States.

"National drug code" or "NDC" means the numerical code maintained by the United States Food and Drug Administration that includes the labeler code, product code, and package code.

"Specialty drug" means a prescription drug covered under Medicare Part D that exceeds the specialty tier cost threshold established by the Centers for Medicare and Medicaid Services.

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"Total spending" means the total of allowed amounts associated with payment for a specified drug or drug group, for all covered lives.

"Utilization management" means a set of formal techniques designed to monitor the use of, or evaluate the medical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings.

"Wholesale acquisition cost" or "WAC" is the manufacturer’s list price to wholesalers or direct purchasers in the United States on December 31 of the reference year, as reported in wholesale price guides or other publications of drug or biological pricing data; it does not include prompt pay or other discounts, rebates, or reductions in price. The current or proposed WAC is the amount that prompts reporting under this act. If reported by a drug group, it is the average WAC weighted by the relevant number of WAC units.

"Wholesale drug distributor" means an entity licensed by the West Virginia State Board of Pharmacy that is engaged in the sale of generic, brand-name, or specialty drugs to persons other than a consumer or patient.

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