

Connecticut Passes New Law Requiring Pharmacy Reward Programs to Protect Consumer Data

JULY 1, 2014

On June 12, 2014, Connecticut Governor Dannel P. Malloy signed [S.B. 208](#) into law, requiring new consumer safeguards for pharmacy rewards programs. The law was passed in recognition of the fact that in order to draw more consumers, retailers are developing pharmacy reward programs which offer discounts, in-store coupons, and other tangible benefits in exchange for the consumer filling drug prescriptions through such retailer or its affiliate. This law requires retailers to provide consumers with a “written plain language summary of the terms and conditions” of the pharmacy rewards program as well as to sign a Health Insurance Portability and Accountability Act (HIPAA) authorization form. The form must provide the following: how protected health information will be used, if the information will be disclosed to third parties, how a consumer may revoke the HIPAA authorization, and how a consumer may obtain a copy of the HIPAA authorization form once signed. A retailer who violates this law will be liable under CUTPA, the Connecticut Unfair Trade Practices Act. This law takes effect on July 1, 2014.

TIP: This law – aimed at retailers – is a reminder that there is ever-increasing scrutiny around the collection and use of personal health information.

1 Min Read

Related Locations

Chicago

Related Topics

Health Care Privacy

Related Capabilities

Privacy & Data Security

This entry has been created for information and planning purposes. It is not intended to be, nor should it be substituted for, legal advice, which turns on specific facts.