

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1926

S.P. 676

In Senate, March 17, 1999

**Resolve, to Establish Maine's Business Advisory Committee on
Prescription Drug Costs and Efficiencies.**

(EMERGENCY)

Reference to the Committee on Health and Human Services suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator LONGLEY of Waldo.
Cosponsored by Senators: BERUBE of Androscoggin, PARADIS of Aroostook,
Representative: KANE of Saco.

2 **Emergency preamble.** Whereas, Acts and resolves of the
Legislature do not become effective until 90 days after
adjournment unless enacted as emergencies; and

4
6 **Whereas,** it is desirable to conduct a study concerning the
State's pharmaceutical markets;

8 **Whereas,** unless this legislation is enacted as an emergency,
there will not be sufficient time in which to complete the study
before the Second Regular Session of the 119th Legislature; and

12 **Whereas,** in the judgment of the Legislature, these facts
create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
14 necessary for the preservation of the public peace, health and
16 safety; now, therefore, be it

18 **Sec. 1. Advisory committee. Resolved:** That there is
established an advisory committee known as Maine's Business
20 Advisory Committee on Prescription Drug Costs and Efficiencies,
referred to in this resolve as the "committee"; and be it further

22 **Sec. 2. Membership. Resolved:** That the committee consists of
24 13 members appointed as follows:

26 1. Two members of the Senate, of which one represents the
minority party, appointed by the President of the Senate;

28 2. Two members of the House of Representatives, of which
30 one represents the minority party, appointed by the Speaker of
the House;

32 3. The Commissioner of the Department of Human Services or
34 the commissioner's designee;

36 4. The Commissioner of Professional and Financial
Regulation or the commissioner's designee;

38 5. One representative from the Maine Congressional
40 Delegation, appointed by the President of the Senate;

42 6. One representative from a statewide health management
organization, appointed by the President of the Senate;

44 7. One representative from a statewide senior citizen
46 organization, appointed by the Speaker of the House;

48 8. One representative from a drug manufacturing business,
appointed by the Speaker of the House;

2 9. Two representatives from pharmaceutical associations,
appointed by the Governor;

4
6 10. One physician, appointed by the Governor; and be it
further

8 **Sec. 3. Appointments. Resolved:** That all appointments to the
committee must be made no later than 30 days following the
10 effective date of this resolve. The appointing authorities shall
notify the Executive Director of the Legislative Council upon
12 making their appointments; and be it further

14 **Sec. 4. Meetings. Resolved:** That the Chair of the Legislative
Council shall call and convene the first meeting of the committee
16 within 15 days of the date that the last committee member is
appointed; and be it further

18 **Sec. 5. Chair. Resolved:** That the members of the committee
20 shall appoint a chair from among its members at the first meeting
of the committee; and be it further

22 **Sec. 6. Staff. Resolved:** That upon the approval of the
24 Legislative Council, the Office of Policy and Legal Analysis
shall provide staff support to the committee; and be it further

26 **Sec. 7. Compensation. Resolved:** That the committee members
28 who are Legislators are entitled to receive legislative per diem
and expenses, as defined in the Maine Revised Statutes, Title 3,
30 section 2, for each day's attendance at meetings of the
committee. The members of the committee who are neither
32 employees of the State nor Legislators are entitled to a per diem
and expenses equal to the legislative per diem and expenses; and
34 be it further

36 **Sec. 8. Duties. Resolved:** That in order to advise the
Legislature on establishing efficiencies in Maine's
38 pharmaceutical markets, the committee shall:

40 1. Assess covered outpatient prescription drug prices
throughout the State and compare the prices to those of other
42 states and countries;

44 2. Create model discount and rebate agreements using
existing pharmaceutical discount purchasing and assistance
46 programs such as those offered through Medicaid, the United
States Department of Veterans Affairs, public health services and

2 successful programs in other states and countries to secure the
highest discounts and rebates available;

4 3. Seek to obtain the best prices for all Maine's citizens
6 requiring outpatient prescription drugs and obtain prescription
drugs with the least administrative and regulatory burden on
8 manufacturers, distributors and state agencies; and

10 4. Gather and publicize outpatient prescription retail drug
prices in Maine and show prices of comparable prescription drugs
12 found in other states and countries including Canada, the United
Kingdom and Australia; and be it further

14 **Sec. 9. Report. Resolved:** That the committee shall submit its
16 findings, together with any recommendations, including
legislation, to the Governor and the Joint Standing Committee on
18 Health and Human Services by December 1, 1999.

20 **Emergency clause.** In view of the emergency cited in the
preamble, this resolve takes effect when approved.

22

SUMMARY

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26 This resolve establishes Maine's Business Advisory Committee
on Prescription Drug Costs and Efficiencies. The advisory
28 committee shall conduct a study concerning outpatient
prescription drug prices in the State and will obtain comparable
pricing from other states and countries. The advisory committee
30 shall create model discount and rebate agreements using existing
pharmaceutical discount purchasing and assistance programs such
32 as those offered through Medicaid, the United States Department
of Veterans Affairs, public health services and other successful
34 programs in other states and countries to secure the highest
discounts and rebates available on prescription drugs.