

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 1324

H.P. 923

House of Representatives, March 15, 2005

An Act To Improve Access to Affordable Prescription Drugs

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

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative BRAUTIGAM of Falmouth.
Cosponsored by Senator MAYO of Sagadahoc and
Representatives: BABBIDGE of Kennebunk, PERRY of Calais, SMITH of Monmouth,
WEBSTER of Freeport, Senator: COWGER of Kennebec.

2 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 22 MRSA §2699-A** is enacted to read:

6 The Pharmacy Cost Management Council, referred to in this
8 section as "the council," is established to develop measures to
control the cost of prescription drugs and expand the State's
purchasing power.

10 1. Definitions. As used in this section, unless the
12 context otherwise indicates, the following terms have the
following meanings.

14 A. "Federal supply schedule" means the price available to
16 all federal agencies for the purchase of pharmaceuticals
authorized in the federal Veterans' Health Care Act of 1992,
Public Law 102-585.

18 B. "Manufacturer" has the same meaning as provided in
20 section 2697, subsection 1.

22 2. Duties. The council shall perform the following duties
24 and shall report on the work of the council and any
26 recommendations for legislation or agency initiatives to the
28 joint standing committee of the Legislature having jurisdiction
over health and human services matters and the joint standing
committee of the Legislature having jurisdiction over
appropriations and financial affairs by March 1st each year
beginning in 2006.

30 A. The council shall consider strategies for managing the
32 increasing cost of prescription drugs, including, but not
limited to:

34 (1) Entering into prescription drug purchasing
36 agreements, joint negotiations directly with
38 manufacturers and labelers for prescription drugs using
as a reference point the federal supply schedule;

40 (2) Group purchasing pools that include state, county,
42 municipal and other public agencies and public entities
and health programs, employers, purchasers of
prescription drugs and other states;

44 (3) Standardized prices;

46 (4) Preferred drug lists;

48 (5) Pharmacy benefits management;

50

2 (6) Disease state management programs; and

4 (7) Information for professionals licensed to
6 prescribe drugs regarding price and efficacy and
 strategies for decreasing the costs to the patient,
 payor and health care system.

8 B. The council shall study licensing, certification and
10 educational requirements for a person employed by a
12 manufacturer or labeler to provide information and education
 with regard to prescription drugs, including information
 described in section 2698-A, subsection 4, paragraph B.

14 C. The council shall monitor federal benefits and
16 requirements under the Medicaid program under the United
18 States Social Security Act, Title XIX; the Medicare
20 Prescription Drug, Improvement and Modernization Act of
22 2003, Public Law 108-173; and federally sponsored health
 services for veterans. The council shall consider
 strategies for maximizing federal benefits, taking advantage
 of possible savings for the State and coordinating services
 and benefits for persons who qualify for those programs.

24 D. The council shall research obtaining prescription drugs
26 from outside the country on a wholesale or retail basis,
28 including cost and safety considerations and the procedures
 for all necessary waivers and permission from the Federal
 Government to permit the State or persons within the State
 to import prescription drugs.

30 E. The council shall study establishing a state
32 prescription drug patient assistance program that would rely
34 on the voluntary participation of manufacturers and labelers
 to centralize and streamline their patient assistance
 programs.

36 3. Membership. The council consists of 20 members. The
38 term of appointment is 3 years. A member may serve more than one
40 term. A member may serve until the member's successor has been
 appointed. The membership consists of:

42 A. The Commissioner of Health and Human Services, or the
44 commissioner's designee, who shall serve as chair;

46 B. The Commissioner of Corrections, or the commissioner's
 designee;

48 C. The Director of the Bureau of Medical Services, or the
50 director's designee;

2 D. The Director of the Bureau of Elder and Adult Services,
3 or the director's designee;

4 E. The Executive Director of Health Insurance, or the
5 director's designee;

6 F. Five members appointed by the Governor, as follows:

7
8 (1) One person representing a statewide association of
9 community pharmacies;

10
11 (2) Two persons representing manufacturers and
12 labelers who sponsor patient assistance programs in the
13 State; and

14
15 (3) Two persons experienced in the provision of
16 prescription drug benefits through insured and
17 self-insured plans;

18
19 G. Five members appointed by the President of the Senate,
20 as follows:

21
22 (1) One person representing a statewide association of
23 professional nurses;

24
25 (2) Two persons representing nonstate public sector
26 employee health plans; and

27
28 (3) Two persons representing consumers of health care
29 who are enrolled in publicly funded prescription drug
30 programs; and

31
32 H. Five members appointed by the Speaker of the House, as
33 follows:

34
35 (1) One pharmacist licensed to practice in the State;

36
37 (2) One person representing a statewide association of
38 physicians;

39
40 (3) One person representing providers of pharmacy
41 benefit management services; and

42
43 (4) Two consumers of health care services through
44 employment-based health plans.

45
46 4. Meetings; assistance. The council shall meet at least 4
47 times per year and may meet at other times as necessary. All
48 meetings of the council are public proceedings and all records
49 are public records as defined in Title 1, section 402.
50

2 subsections 2 and 3. The Governor's Office of Health Policy and
3 Finance and the Department of Health and Human Services shall
4 provide assistance and staff support to the council.

6 **SUMMARY**

8 This bill establishes the Pharmacy Cost Management Council
9 to develop and implement measures to control the cost of
10 prescription drugs and expand the State's purchasing power. The
11 council is required to provide annual reports to the joint
12 standing committee of the Legislature having jurisdiction over
13 health and human services matters and the joint standing
14 committee of the Legislature having jurisdiction over
15 appropriations and financial affairs by March 1, 2006 and each
16 year thereafter. The meetings of the council and its records are
public.