
By: **Delegates Dembrow and Morhaim**
Introduced and read first time: February 8, 2002
Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Interdepartmental Task Force on the Bulk Purchasing of Pharmaceuticals**

3 FOR the purpose of establishing an Interdepartmental Task Force on the Bulk
4 Purchasing of Pharmaceuticals; providing for the composition of the Task Force;
5 requiring the Governor to appoint the chairman of the Task Force; prohibiting
6 members from receiving compensation; allowing members to receive
7 reimbursement for expenses; providing for the staffing of the Task Force;
8 requiring the Task Force to investigate certain purchasing options, make
9 recommendations on certain topics, and conduct a certain study; requiring the
10 Task Force to submit a certain report to the Governor and certain committees on
11 or before a certain date; providing for the termination of this Act; and generally
12 relating to the Interdepartmental Task Force on the Bulk Purchasing of
13 Pharmaceuticals.

14 BY adding to
15 Article 41 - Governor - Executive and Administrative Departments
16 Section 18-319
17 Annotated Code of Maryland
18 (1997 Replacement Volume and 2001 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, That the Laws of Maryland read as follows:

21 **Article 41 - Governor - Executive and Administrative Departments**

22 18-319.

23 (A) THERE IS AN INTERDEPARTMENTAL TASK FORCE ON THE BULK
24 PURCHASING OF PHARMACEUTICALS.

25 (B) THE TASK FORCE SHALL BE COMPOSED OF AN OFFICER OR EMPLOYEE
26 FROM EACH OF THE FOLLOWING AGENCIES, APPOINTED BY THE ADMINISTRATIVE
27 HEAD OF THAT AGENCY:

28 (1) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

1 (2) THE DEPARTMENT OF BUDGET AND MANAGEMENT;

2 (3) THE DIVISION OF CORRECTIONS; AND

3 (4) ANY OTHER AGENCY THAT PURCHASES PHARMACEUTICALS,
4 DESIGNATED BY THE SECRETARY.

5 (C) THE GOVERNOR SHALL DESIGNATE THE CHAIRMAN OF THE TASK FORCE.

6 (D) A MEMBER OF THE TASK FORCE MAY NOT RECEIVE COMPENSATION BUT
7 IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE
8 TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

9 (E) THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE SHALL
10 COORDINATE WITH OTHER MEMBER STATE AGENCIES TO PROVIDE STAFFING FOR
11 THE TASK FORCE.

12 (F) THE TASK FORCE SHALL:

13 (1) INVESTIGATE ANY AND ALL OPTIONS FOR BETTER PURCHASING
14 POWER OF PHARMACEUTICALS, INCLUDING:

15 (I) EXPANDING MEDICAID PURCHASING;

16 (II) QUALIFYING FOR PARTICIPATION IN PURCHASING PROGRAMS
17 UNDER 42 U.S.C. SECTION 256B, AS AMENDED; AND

18 (III) USING REBATE PROGRAMS, HOSPITAL DISPROPORTIONATE
19 SHARE PURCHASING, FEDERALLY QUALIFIED HEALTH CENTER PURCHASING, AND
20 PURCHASING BY THE DEPARTMENT OF HEALTH AND MENTAL HYGIENE;

21 (2) MAKE RECOMMENDATIONS REGARDING DRUG UTILIZATION REVIEW,
22 PRIOR AUTHORIZATION, THE USE OF RESTRICTIVE FORMULARIES, THE USE OF MAIL
23 ORDER PROGRAMS, AND COPAYMENT STRUCTURES TO MEMBER AGENCIES; AND

24 (3) CONDUCT A STUDY AS TO WHETHER A BULK PURCHASING PROGRAM
25 THAT GRADUALLY INCORPORATES VARIOUS STATE AGENCIES INTO THE PROGRAM
26 OVER TIME WOULD BE FEASIBLE IN MARYLAND.

27 (G) THE TASK FORCE SHALL SUBMIT ITS FINDINGS AND RECOMMENDATIONS
28 TO THE GOVERNOR, AND SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE,
29 TO THE SENATE EDUCATION, HEALTH, AND ENVIRONMENTAL AFFAIRS COMMITTEE
30 AND THE HOUSE ENVIRONMENTAL MATTERS COMMITTEE ON OR BEFORE
31 DECEMBER 1, 2004.

32 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
33 October 1, 2002. It shall remain effective for a period of 2 years and, at the end of
34 September 30, 2004, with no further action required by the General Assembly, this
35 Act shall be abrogated and of no further force and effect.