

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE

House Bill 1101 (Delegates Dembrow and Morhaim)
Environmental Matters and Economic Matters

Interdepartmental Task Force on the Bulk Purchasing of Pharmaceuticals

This bill creates the Interdepartmental Task Force on the Bulk Purchasing of Pharmaceuticals, composed of members from the Department of Health and Mental Hygiene (DHMH), the Department of Budget and Management (DBM), the Division of Correction (DOC), and any other State agency that purchases pharmaceuticals.

The bill terminates September 30, 2004.

Fiscal Summary

State Effect: Any expense reimbursements for task force members and staffing costs are assumed to be minimal and absorbable within existing resources of the State agencies represented on the task force.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: DHMH must coordinate with other member State agencies to staff the task force. The task force must: (1) investigate any and all options for better purchasing power of pharmaceuticals; (2) make recommendations regarding drug utilization review, prior authorization, the use of restrictive formularies, the use of mail order programs, and copayment structures to member agencies; and (3) conduct a study as to whether a bulk purchasing program that gradually incorporates various State agencies into the program

over time would be feasible. The task force must submit its findings and recommendations to the Governor, the Senate Education, Health, and Environmental Affairs Committee, and the House Environmental Matters Committee by December 1, 2004.

Current Law: There is no task force to study bulk drug purchasing by the State.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Health and Mental Hygiene (Medicaid, AIDS Administration, Family Health Administration, Labs Administration, Boards and Commissions), Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2002
ncs/cer

Analysis by: Susan D. John

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510