

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 167

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 3, after “of” insert “requiring the Department of Health and Mental Hygiene, on or before a certain date, to seek approval of a certain waiver from the federal Food and Drug Administration to operate a program to purchase and import prescription drugs from Canada and to certify the safety and efficacy of the imported prescription drugs; requiring the Department, on or before a certain date, to seek approval from the Centers for Medicare and Medicaid Services to allow the State to use certain funds to operate a certain program;”; strike beginning with the first comma in line 3 down through “Management,” in line 4 and substitute “the Department, on or before a certain date, to develop a plan”; in line 5, after “for” insert “the purchase and importation of”; in line 6, strike “participants” and substitute “individuals”; strike beginning with “authorizing” in line 7 down through “Plan;” in line 9; in lines 14 and 15, strike “of Health and Mental Hygiene”; in line 16, after “Plan;” insert “requiring the Department to submit a certain annual report to the Governor and the General Assembly; requiring the Department to implement a certain plan within a certain number of days after the approval of certain requests; providing for the termination of this Act contingent on certain circumstances;”; in line 17, strike “provision of prescription drugs through”; in the same line, after “Plan” insert “for the purchase and importation of prescription drugs from Canada”; and strike in their entirety lines 18 through 22, inclusive.

AMENDMENT NO. 2

On page 2, after line 13, insert:

“SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That, on or before November 1, 2004, the Department of Health and Mental Hygiene, in consultation with the Attorney General’s Office, shall seek approval of a waiver from the federal Food and Drug Administration that would allow the State to operate a program to purchase and import prescription drugs from Canada and certify the safety and efficacy of any prescription drugs imported from Canada.”

(Over)

SECTION 2. AND BE IT FURTHER ENACTED, That, on or before November 1, 2004, the Department of Health and Mental Hygiene shall seek approval from the Centers for Medicare and Medicaid Services to allow the State to use matching funds to operate a program that purchases and imports prescription drugs from Canada on the approval of the waiver from the federal Food and Drug Administration sought by the Department under Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) On or before January 1, 2005, the Department of Health and Mental Hygiene shall develop a plan to implement a Canadian Mail Order Plan for the purchase and importation of prescription drugs in accordance with subsection (b) of this section.

(b) (1) The Canadian Mail Order Plan shall provide prescription drugs, as specified in this subsection, to the following individuals:

(i) State Employee and Retiree Health and Welfare Benefits Program enrollees;

(ii) Maryland Medical Assistance Program recipients;

(iii) Maryland Pharmacy Assistance Program recipients;

(iv) enrollees and recipients of any other State prescription drug program as the Secretary of Health and Mental Hygiene deems appropriate; and

(v) any individual in the State without health insurance or prescription drug coverage.

(2) The Secretary of Health and Mental Hygiene shall contract with a pharmacy benefits manager to operate the Canadian Mail Order Plan, under the direction of the Secretary.

(3) The pharmacy benefits manager shall incorporate patient safety features in the Canadian Mail Order Plan, including:

(i) requiring a participant, prior to filling a drug prescription through the Canadian Mail Order Plan, to:

1. use and tolerate the prescription drug for a minimum of 1 month through retail purchase; and

2. submit to the pharmacy benefits manager a brief medical history, including allergies, medication history, and diagnoses;

(ii) developing a restricted list of prescription drugs appropriate for purchase through mail order;

(iii) using only licensed pharmacists to dispense prescription drugs; and

(iv) requiring prescription drugs to be provided through “unit of use” packaging, sealed and shipped directly from the manufacturer to the pharmacy and then to the participant, in order to reduce medication errors and the possibility of counterfeit drugs.

(4) The cost to both the State and the participant for a prescription drug provided through the Canadian Mail Order Plan shall be less than the cost to both the State and the participant through retail purchase.

(5) The Secretary of Health and Mental Hygiene shall provide a financial incentive, such as the elimination or reduction of the co-payment, to participants to purchase prescription drugs through the Canadian Mail Order Plan.

(6) On or before January 1 of each year, the Department of Health and Mental Hygiene shall submit a report for the prior fiscal year to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly:

(i) comparing the approximate costs to the State of purchasing and importing prescription drugs from Canada under the Canadian Mail Order Plan and the approximate costs to the State of purchasing prescription drugs in the United States; and

(ii) specifying the savings, if any, realized as a result of participation in the Canadian Mail Order Plan.

(Over)

SECTION 4. AND BE IT FURTHER ENACTED, That:

(a) The Department of Health and Mental Hygiene shall implement the Canadian Mail Order Plan in accordance with the implementation plan required under Section 3 of this Act within 30 days after the later to occur of the following:

(1) approval by the federal Food and Drug Administration of the waiver applied for under Section 1 of this Act; and

(2) approval by the Centers for Medicare and Medicaid Services of the request applied for under Section 2 of this Act.

(b) If the waiver or the request specified in subsection (a) of this section is denied, this Act shall be null and void without the necessity of any further action by the General Assembly.

(c) The Department of Health and Mental Hygiene, within 5 days after receiving notice of approval or denial of a waiver or request specified in subsection (a) of this section, shall forward a copy of the notice to the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401.”.

On pages 2 and 3, strike in their entirety the lines beginning with line 14 on page 2 through line 19 on page 3, inclusive.

On page 3, in line 20, strike “2.” and substitute “5.”.

AMENDMENT NO. 3

On page 3, in line 21, strike “October” and substitute “July”.