



General Assembly

January Session, 2003

Committee Bill No. 743

LCO No. 4414

Referred to Committee on Human Services

Introduced by:
(HS)

AN ACT CONCERNING LOWER PRESCRIPTION DRUG COSTS FOR STATE RESIDENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 17b-3 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2003*):

4 (a) The Commissioner of Social Services shall administer all law
5 under the jurisdiction of the Department of Social Services. The
6 commissioner shall have the power and duty to do the following: (1)
7 Administer, coordinate and direct the operation of the department; (2)
8 adopt and enforce regulations, in accordance with chapter 54, as are
9 necessary to implement the purposes of the department as established
10 by statute; (3) establish rules for the internal operation and
11 administration of the department; (4) establish and develop programs
12 and administer services to achieve the purposes of the department as
13 established by statute; (5) contract for facilities, services and programs
14 to implement the purposes of the department as established by statute;
15 (6) process applications and requests for services promptly; (7) make
16 no duplicate awards for items of assistance once granted, except for

17 replacement of lost or stolen checks on which payment has been
18 stopped; (8) promote economic self-sufficiency where appropriate in
19 the department's programs, policies, practices and staff interactions
20 with recipients; (9) act as advocate for the need of more comprehensive
21 and coordinated programs for persons served by the department; (10)
22 plan services and programs for persons served by the department; (11)
23 coordinate outreach activities by public and private agencies assisting
24 persons served by the department; (12) consult and cooperate with
25 area and private planning agencies; (13) advise and inform municipal
26 officials and officials of social service agencies about social service
27 programs and collect and disseminate information pertaining thereto,
28 including information about federal, state, municipal and private
29 assistance programs and services; (14) encourage and facilitate
30 effective communication and coordination among federal, state,
31 municipal and private agencies; (15) inquire into the utilization of state
32 and federal government resources which offer solutions to problems of
33 the delivery of social services; (16) conduct, encourage and maintain
34 research and studies relating to social services development; (17)
35 prepare, review and encourage model comprehensive social service
36 programs; (18) maintain an inventory of data and information and act
37 as a clearing house and referral agency for information on state and
38 federal programs and services; [and] (19) conduct, encourage and
39 maintain research and studies and advise municipal officials and
40 officials of social service agencies about forms of intergovernmental
41 cooperation and coordination between public and private agencies
42 designed to advance social service programs; and (20) negotiate with
43 pharmaceutical manufacturers for supplemental rebates available
44 pursuant to 42 USC 1396r-8(c), as amended from time to time. The
45 commissioner may require notice of the submission of all applications
46 by municipalities, any agency thereof, and social service agencies, for
47 federal and state financial assistance to carry out social services. The
48 commissioner shall establish state-wide and regional advisory
49 councils.

50 Sec. 2. (NEW) (*Effective July 1, 2003*) (a) There is established an

51 Affordable Prescription Drug Board. The board shall consist of: (1)
52 Three members appointed by the speaker of the House of
53 Representatives, at least one of whom is a pharmacist licensed in this
54 state; (2) three members appointed by the president pro tempore of the
55 Senate, at least one of whom is a representative of a pharmaceutical
56 company with manufacturing operations in this state; (3) three
57 members appointed by the majority leader of the House of
58 Representatives, at least one of whom is a representative of a hospital
59 licensed in this state; (4) three members appointed by the minority
60 leader of the House of Representatives, at least one of whom is a
61 physician licensed in this state; (5) three members appointed by the
62 majority leader of the Senate, at least one of whom is a representative
63 of a health insurer licensed in this state; (6) three members appointed
64 by the minority leader of the Senate, at least one of whom is a health
65 care provider, other than a physician, licensed in this state with
66 prescriptive authority; (7) two members appointed by the Governor;
67 and (8) the Commissioner of Social Services, or the commissioner's
68 designee. At least one member appointed by each person pursuant to
69 this section shall be a consumer that utilizes prescription drugs,
70 provided such person shall not be a health care provider, pharmacist,
71 or current or former employee of a pharmaceutical drug manufacturer
72 or distributor. At the first meeting of the board, and annually
73 thereafter, the members shall elect two members to serve as
74 cochairpersons of the board. The Department of Social Services shall
75 provide such staff as is necessary for the performance of the functions
76 and duties of the board.

77 (b) Not later than January 1, 2004, and annually thereafter, the board
78 shall distribute the wholesale price, the Canadian wholesale price, the
79 federal Supply Schedule price, retail prices in this state, the prices
80 charged to other governmental agencies, health care facilities, health
81 insurance companies and other purchasers, and such other
82 information as the board deems relevant for the fifty prescription
83 drugs with the highest sales volume sold through the ConnPACE
84 program.

85 (c) The board shall distribute the information gathered pursuant to
86 subsection (b) of this section to all retail pharmacies in this state and
87 the Commissioner of Social Services shall post such schedule on the
88 Department of Social Services' Internet web site.

89 (d) The Commissioner of Social Services shall submit a report to the
90 board and the General Assembly, in accordance with section 11-4a of
91 the general statutes, not later than September 1, 2003, and annually
92 thereafter, detailing state options for lowering drug prices for the state,
93 businesses and consumers. Such report shall detail major strategies
94 used in other states to lower drug prices and the effect of such
95 strategies on health access, including, but not limited to, negotiation of
96 supplemental Medicaid rebates, bulk purchasing of medications in-
97 state or through multi-state pools, accessing Medicaid rebates for
98 consumers and pharmacies through federal Medicaid waivers,
99 variations of pharmacy assistance programs and benefits offered,
100 expansion of state and private consumer assistance and discount
101 programs, strategies used to access federal pricing schedules and
102 expand programs established pursuant to 42 USC 256b, as amended
103 from time to time, and local programs to provide discounts to subsets
104 of residents, and any other findings and recommendations as the
105 commissioner deems appropriate. Such report shall include comment
106 on available processes for public input for each strategy highlighted.
107 The board, with the chairs and ranking members of the of the joint
108 standing committees of the General Assembly, having cognizance of
109 matters relating to human services, public health and appropriations,
110 shall annually conduct a public hearing before the commencement of
111 the next regular session of the General Assembly to evaluate the
112 options contained in the report.

113 Sec. 3. (NEW) (*Effective July 1, 2003*) The Commissioner of Social
114 Services shall prohibit the public disclosure of information revealing
115 company identifiable trade secrets, as defined in subsection (d) of
116 section 35-51 of the general statutes, obtained by the department, and
117 by any officer, employee or contractor of the department in the course

118 of negotiations with pharmaceutical manufacturers for rebates and
119 supplemental rebates. Such information shall not be subject to public
120 disclosure pursuant to chapter 14 of the general statutes, provided
121 rebate amounts, supplemental rebate amounts and manufacturer's
122 pricing information shall not be considered trade secrets, and shall be
123 disclosed by the commissioner in accordance with the requirements of
124 subsection (a) of section 17b-3 of the general statutes, as amended by
125 this act, and section 2 of this act.

This act shall take effect as follows:	
Section 1	<i>July 1, 2003</i>
Sec. 2	<i>July 1, 2003</i>
Sec. 3	<i>July 1, 2003</i>

HS *Joint Favorable*