

SENATE AMENDMENTS TO SENATE BILL 409

By COMMITTEE ON HEALTH CARE

April 16

1 On page 2 of the printed bill, line 3, after “to” insert “develop a plan to”.

2 Delete lines 6 through 45 and delete pages 3 and 4 and insert:

3 **“SECTION 1. The State Board of Pharmacy shall study the feasibility of implementing,**
4 **and develop a plan to implement, a wholesale prescription drug importation program in which**
5 **the state is a licensed wholesaler that imports prescription drugs from an authorized**
6 **Canadian supplier for distribution to voluntarily participating pharmacies and providers for**
7 **the purpose of dispensing to Oregon residents pursuant to validly issued prescriptions.**

8 **“SECTION 2. The State Board of Pharmacy may consult with relevant stakeholders and**
9 **federal offices and agencies in carrying out section 1 of this 2019 Act, and with the Attorney**
10 **General to identify the potential for anticompetitive behavior in the industries that would**
11 **be affected by an importation program. The plan required under section 1 of this 2019 Act**
12 **must provide that:**

13 **“(1) A state agency become a licensed wholesaler for the purpose of seeking federal cer-**
14 **tification and approval to import safe prescription drugs that will provide savings to Oregon**
15 **consumers;**

16 **“(2) The program use Canadian suppliers regulated under the appropriate Canadian and**
17 **provincial laws;**

18 **“(3) The program have a process to sample the purity, chemical composition and potency**
19 **of imported products;**

20 **“(4) The program import only those prescription drugs expected to generate substantial**
21 **savings for Oregon consumers;**

22 **“(5) The program ensure that imported products will not be distributed, dispensed or sold**
23 **outside the borders of this state;**

24 **“(6) The program ensure that voluntarily participating state-licensed pharmacies and**
25 **administering providers charge individual consumers and health plans the actual acquisition**
26 **cost of the dispensed imported product;**

27 **“(7) The program ensure that health plan payment of the product component of phar-**
28 **macy and provider billing reimburses no more than the actual acquisition cost of the dis-**
29 **persed imported product;**

30 **“(8) The program ensure that participating health plans keep their formularies and**
31 **claims payment systems up to date with the prescription drugs provided through the**
32 **importation program;**

33 **“(9) The program ensure that participating health plans base patient cost sharing on no**
34 **more than the actual acquisition cost of the dispensed imported product;**

35 **“(10) The program require participating health plans to demonstrate to the board how**

1 savings on imported products are reflected in premiums;

2 “(11) The profit margin of any participating wholesaler or distributor of imported pro-
3 ducts be limited to a specified amount established by the board;

4 “(12) The program not import generic products that would violate United States patent
5 laws on United States branded products;

6 “(13) The program comply with the requirements of 21 U.S.C. 360eee and 360eee-1, per-
7 taining to the track and trace requirements as enacted in Title II of the Drug Quality and
8 Security Act (P.L. 113-54), to the extent practical and feasible before imported products come
9 into possession of the state wholesaler, and comply fully after imported products are in the
10 possession of the state wholesaler;

11 “(14) The program be adequately financed through a fee on each prescription or another
12 appropriate approach, but that the size of the fee not jeopardize significant consumer
13 savings;

14 “(15) The program will meet relevant requirements of 21 U.S.C. 384, including safety and
15 cost savings; and

16 “(16) That the program include an audit function to ensure that:

17 “(a) The board has a sound methodology by which to determine the most cost-effective
18 products to include in the importation program on an ongoing basis;

19 “(b) The board has processes in place to select Canadian suppliers of high quality and
20 high performance that are in full compliance with Canadian and provincial laws and regu-
21 lations and with Oregon pharmacy or wholesaler laws;

22 “(c) Imported products under the state program are not distributed, dispensed or sold
23 outside this state once in the possession of the state wholesaler;

24 “(d) Imported products are pure, unadulterated, potent and safe;

25 “(e) Participating pharmacies and administering providers are not charging more than
26 the actual acquisition cost to any consumer or any participating health plan;

27 “(f) Participating health plan formularies and claims processing systems remain up to
28 date with all relevant aspects of the importation program;

29 “(g) Participating health plans base patient coinsurance and other cost sharing on the
30 actual acquisition cost of covered imported products;

31 “(h) Participating health plans reimburse participating pharmacies and administering
32 providers for the actual acquisition cost of the dispensed imported product;

33 “(i) The program is adequately financed to support all administrative functions while
34 generating significant consumer savings;

35 “(j) The program does not put consumers at higher risk than if the program did not exist;
36 and

37 “(k) The program continues to provide Oregon consumers with substantial savings on
38 prescription drugs.

39 “SECTION 3. The State Board of Pharmacy shall submit the plan described in section 2
40 of this 2019 Act, and a report with findings and recommendations for legislation, in the
41 manner provided in ORS 192.245, to an interim committee of the Legislative Assembly related
42 to health care not later than June 30, 2020. The board shall include in the report submitted
43 under this section an analysis of the cost-benefit ratio of an importation program at five
44 years and 10 years after the date of implementation.

45 “SECTION 4. This 2019 Act takes effect on the 91st day after the date on which the 2019

1 **regular session of the Eightieth Legislative Assembly adjourns sine die.”.**

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