



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5672 (Substitute H-2 as reported with amendment)
Sponsor: Representative Barb Vander Veen
House Committee: Health Policy
Senate Committee: Health Policy

CONTENT

The bill would amend the Public Health Code to do the following:

- Require the Board of Pharmacy to create a cancer drug donation program.
- Allow an individual who was at least 18 years old to donate legally obtained cancer drugs or supplies to a cancer drug repository, and allow donations by a pharmacy, health facility, manufacturer, or wholesale distributor.
- Establish eligibility criteria for donated drugs and supplies.
- Permit any licensed health facility or pharmacy that was in compliance with Federal and State laws, rules, and regulations to participate as a repository.
- Allow a repository to accept and store donated drugs and supplies, or accept, store, dispense, and administer donated drugs and supplies.
- Require an individual who received a cancer drug or supply to provide verification that he or she had a current diagnosis of cancer.
- Establish priorities for dispensing donated drugs and supplies.
- Allow a repository to charge a handling fee of not more than 250% of the Medicaid dispensing fee or \$5, whichever was less, for each cancer drug or supply dispensed or administered.
- Establish record-keeping requirements for a repository.
- Provide criminal and civil immunity for drug manufacturers for certain actions by a party not under the manufacturers' control, and provide civil immunity for program participants in certain situations.

MCL 333.17766 et al.

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would create a moderate, indeterminate increase in administrative cost for the Department of Community Health through the establishment and maintenance of the cancer drug repository program. It is likely that this administrative cost would be offset by decreased expenditures for pharmaceutical products through the Medicaid program and State and local governmental employee health plans. The extent of savings to State and local government associated with this program would depend upon the number of participating facilities and the number of individuals receiving Medicaid benefits or State and local employee health coverage who would participate in the program.

Date Completed: 9-7-06

Fiscal Analyst: David Fosdick

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Bill Analysis @ www.senate.michigan.gov

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