

HOUSE BILL No. 4015

January 27, 2005, Introduced by Rep. Kahn and referred to the Committee on Health Policy.

A bill to amend 1978 PA 368, entitled
"Public health code,"
(MCL 333.1101 to 333.25211) by adding section 9702.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 9702. (1) THE DEPARTMENT MAY ENTER INTO AGREEMENTS,
2 CONTRACTS, OR COOPERATIVE ARRANGEMENTS UNDER THIS SECTION TO CREATE
3 OR JOIN A MULTISTATE PRESCRIPTION DRUG PURCHASING PROGRAM. THE
4 PURPOSE OF THE AGREEMENT, CONTRACT, OR COOPERATIVE ARRANGEMENT
5 SHALL BE TO USE THE COLLECTIVE PURCHASING POWER OF THE
6 PARTICIPATING STATES AND MEMBERS TO REDUCE THE COST OF PRESCRIPTION
7 DRUGS FOR THOSE PARTICIPATING STATES AND MEMBERS.

8 (2) AGREEMENTS, CONTRACTS, OR COOPERATIVE ARRANGEMENTS UNDER

1 THIS SECTION MAY BE EXECUTED WITH ANY STATE DEPARTMENT, AGENCY, OR
2 POLITICAL SUBDIVISION OF THIS STATE OR ANY OTHER STATE OR WITH ANY
3 OTHER PERSON THAT PURCHASES PRESCRIPTION DRUGS.

4 (3) ANY AGREEMENT, CONTRACT, OR COOPERATIVE ARRANGEMENT
5 ENTERED INTO UNDER THIS SECTION SHALL NOT PROHIBIT THE
6 PARTICIPATING STATES OR MEMBERS FROM FORMING PARTNERSHIPS WITH
7 PHARMACEUTICAL MANUFACTURERS OR WHOLESALE DISTRIBUTORS TO RECEIVE
8 DISCOUNTS ON PRESCRIPTION DRUGS.

9 (4) THE DEPARTMENT SHALL BE RESPONSIBLE FOR THE ADMINISTRATION
10 OF THE MULTISTATE PRESCRIPTION DRUG PURCHASING PROGRAM CREATED OR
11 ENTERED INTO UNDER THIS SECTION. THE DEPARTMENT SHALL ESTABLISH A
12 SYSTEM FOR THE DISTRIBUTION OF THE PRESCRIPTION DRUGS PURCHASED
13 UNDER THIS PROGRAM. THE DEPARTMENT SHALL IMPLEMENT THIS SECTION IN
14 A MANNER THAT COMPLIES WITH FEDERAL REQUIREMENTS. THE DEPARTMENT
15 MAY PROMULGATE RULES FOR THE IMPLEMENTATION AND ADMINISTRATION OF
16 THIS SECTION.

17 (5) WITHIN 2 YEARS OF THE EFFECTIVE DATE OF THE AMENDATORY ACT
18 THAT ADDED THIS SECTION, AND EVERY OTHER YEAR THEREAFTER, THE
19 DEPARTMENT SHALL SUBMIT A WRITTEN REPORT TO THE GOVERNOR AND EACH
20 HOUSE OF THE LEGISLATURE REGARDING THE ACTIVITIES AND STATUS OF THE
21 MULTISTATE PRESCRIPTION DRUG PURCHASING PROGRAM.