

SENATE No. 695

The Commonwealth of Massachusetts

PRESENTED BY:

Eric P. Lesser

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to improve the accessibility and affordability of pharmaceutical drugs of public health concern.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	
<i>Eric P. Lesser</i>	<i>First Hampden and Hampshire</i>	
<i>Rebecca L. Rausch</i>	<i>Norfolk, Bristol and Middlesex</i>	<i>2/1/2019</i>
<i>Bud L. Williams</i>	<i>11th Hampden</i>	<i>1/30/2019</i>
<i>José F. Tosado</i>	<i>9th Hampden</i>	<i>1/30/2019</i>

SENATE No. 695

By Mr. Lesser, a petition (accompanied by bill, Senate, No. 695) of Eric P. Lesser, Rebecca L. Rausch, Bud L. Williams and José F. Tosado for legislation to improve the accessibility and affordability of pharmaceutical drugs of public health concern. Health Care Financing.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-First General Court
(2019-2020)

An Act to improve the accessibility and affordability of pharmaceutical drugs of public health concern.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding any general or special law to the contrary, there shall be a
2 special commission to examine the prospect of establishing a system for the bulk purchasing and
3 distribution of pharmaceutical products with a significant public health benefit and the potential
4 for significant health care cost savings through overall increased purchase capacity.

5 The commission shall consist of 11 members: 1 of whom shall be the commissioner of
6 the department of public health, or a designee, who shall serve as chair; 1 of whom shall be the
7 executive director of the group insurance commission, or a designee; 1 of whom shall be the
8 chief of pharmacy of the state office of pharmacy services; 1 of whom shall be the division of
9 medical assistance pharmacy director; 2 of whom shall be the chairs of the joint committee on
10 health care financing; and 5 members to be appointed by the commissioner of public health, 1 of
11 whom shall be a health care economist, 1 of whom shall be an expert in health law and policy
12 innovation, 1 of whom shall be an academic with relevant expertise in the field, 1 of whom shall

be the chief executive officer of a licensed hospital in the commonwealth and 1 of whom shall be a member of the public with experience with health care and consumer protection.

The commission shall study and evaluate all aspects related to establishing a system for the bulk purchasing and distribution of pharmaceutical products with a significant public health benefit and the potential for significant health care cost savings through overall increased purchase capacity. The commission shall hold, at a minimum, three hearings in different geographic areas of the commonwealth, and shall accept input from the public, as well as solicit expert testimony from individuals representing the following entities: health insurance companies, pharmaceutical companies, pharmacies, hospitals, municipalities, health care practitioners, community health centers, substance abuse providers, public health educational institutions and other experts as identified by the commission.

The commission shall, following the completion of the required hearings, file a report of its analysis, recommendations and any legislative or regulatory changes necessary to advance said recommendations to the clerks of the senate and house of representatives, as well as to the joint committee on ways and means, the joint committee on health care financing, the joint committee on public health, the joint committee on elder affairs and the joint committee on mental health and substance abuse. The report shall include, but not be limited to: (i) the process or processes by which the state could make bulk purchases of pharmaceutical products with a significant public health benefit and the potential for significant health care cost savings through bulk purchasing; (ii) the process or processes by which other governmental or nongovernmental entities might voluntarily participate in said collaborative in order to purchase pharmaceutical products with a significant public health benefit and the potential for significant health care cost savings; (iii) the process or processes by which the state could efficiently and economically

36 distribute said bulk purchases; (iv) the sources of funding available to implement said bulk
37 purchases; (v) the anticipated cost savings said bulk purchases would provide to the state and
38 other participating governmental and nongovernmental entities; (vi) the potential to partner with
39 the federal government and or other states in the New England region; and (vii)
40 recommendations for how a bulk purchasing model or other leveraged purchase models could be
41 effectively utilized by the commonwealth to reduce pharmaceutical costs for the state, other
42 governmental and nongovernmental entities, and consumers.

43 The commission shall file a report not later than eight months after the enactment of this
44 act.