HOUSE DOCKET, NO. 3233 FILED ON: 1/16/2025

HOUSE . . . . . No.

The Commonwealth of Massachusetts

PRESENTED BY:

Marjorie C. Decker

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 relative to assessing the feasibility of in-state drug manufacturing.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Marjorie C. Decker	*25th Middlesex*	*1/16/2025*

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[Pin Slip]

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Fourth General Court
(2025-2026)

An Act relative to assessing the feasibility of in-state drug manufacturing.

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

SECTION 1. (a) Notwithstanding any special or general law to the contrary, there shall be a special commission to investigate and assess the feasibility of state-sponsored prescription drug manufacturing or distribution in the commonwealth. The special commission shall consist of: the secretary of health and human services or a designee, who shall serve as chair; the commissioner of insurance or a designee; the executive director of the center for health information and analysis or a designee; the executive director of the health policy commission or a designee; the president of the board of registration in pharmacy or a designee; the president of the University of Massachusetts or a designee; and 11 persons selected by the chair, 1 of whom shall be a representative of the Massachusetts Biotechnology Council, Inc., 1 of whom shall be a representative of the Massachusetts Health and Hospital Association, Inc., 1 of whom shall be a representative of the Massachusetts Medical Society, 1 of whom shall be a representative of a patient advocacy organization, 1 of whom shall be a representative of an advocacy organization representing patients with lack of access to pharmaceutical products, including but not limited to, insulin, naloxone, albuterol inhalers and epinephrine, 1 of whom shall be a representative of a

representative of the office of pharmaceutical policy and analysis established under the section 3 of chapter 342 of the acts of 2024, 1 of whom shall be an individual with expertise in biomedical research, 1 of whom shall be a physician licensed to practice medicine under section 2 of chapter 112 of the General Laws with expertise in the treatment of diabetes and related complications, 1 of whom shall be a physician licensed under said section 2 of said chapter 112 with expertise in the treatment of substance use disorders and related complications, 1 of whom shall be a physician licensed under said section 2 of said chapter 112 with expertise in the treatment of allergic reactions and related complications and 1 of whom shall be a physician licensed under said section 2 of said chapter 112 with expertise in the treatment of asthma and related complications.

(b) The special commission shall study and report on the feasibility of state-sponsored drug manufacturing or distribution in the commonwealth. The special commission shall: (i) study the feasibility of manufacturing commonly used pharmaceutical products and their analogs, including but not limited to insulin, naloxone, albuterol inhalers and epinephrine; (ii) assess the feasibility of providing the drug and drug analogs to low-income residents of the commonwealth at no-cost or at a reduced cost on a means-tested basis; (iii) assess the feasibility of partnerships between the commonwealth and other entities, including but not limited to, public universities and existing drug manufacturers, or partnerships between other appropriate entities and an existing drug manufacturer to leverage existing research and manufacturing capacity; (iv) analyze if establishing a state-sponsored drug manufacturing program of commonly used pharmaceutical products and their analogs, including but not limited, to the drugs listed in clause (i) of subsection (b), would lower prescription drug prices for public and private purchasers and consumers (v) study the example of other states that have initiated state-sponsored drug

manufacturing and distribution initiatives; and (vi) issue a report on the commission's findings and policy recommendations.

(c) In its assessment, the commission shall consider the following factors: (i) the number of low-income residents who currently require the drugs listed in clause (i) of subsection (b); (ii) the ability of the commonwealth, the public university system or other appropriate entity, by themselves or in partnership with existing drug manufacturers, to produce the drugs listed in clause (i) of subsection (b); (iii) any long-term cost savings and revenue generation for the commonwealth; (iv) any long-term cost savings and other benefits to low-income residents of the commonwealth who would receive the drugs listed in clause (i) of subsection (b); (v) any costs to the commonwealth to produce the drugs listed in clause (i) of subsection (b), including additional administrative costs; (vi) state and federal regulatory or legal obstacles, including requirements for licensure, to the production and distribution of the drugs listed in clause (i) of subsection (b) within the commonwealth; (vii) available alternative methods for providing the drugs listed in clause (i) of subsection (b) to low-income residents of the commonwealth at low or no cost; (viii) options for capping copayments for the drugs listed in clause (i) of subsection (b) provided through private insurers; (ix) the potential for state-sponsored manufacturing of the drugs listed in clause (i) of subsection (b) to address drug shortages; (x) the potential for the commonwealth to engage in volume purchasing of the drugs listed in clause (i) of subsection (b) at reduced cost; (xi) the mechanisms by which the commonwealth could establish a program to distribute the drugs listed in clause (i) of subsection (b) to residents of the commonwealth; (xii) opportunities to establish an interstate compact with other New England states to reduce costs; (xiii) opportunities to establish a public entity to manage the manufacturing, purchasing or distribution of the drugs listed in clause (i) of subsection (b); (xiv) opportunities to establish a model facility

to affordably manufacture the drugs listed in clause (i) of subsection (b); and (xv) opportunities to procure dedicated funding to support the manufacture and distribution of the drugs listed in clause (i) of subsection (b) to residents of the commonwealth.

(d) Not later than September 1, 2026, the commission shall submit its report to the clerks of the senate and house of representatives, the joint committee on health care financing and the joint committee on public health.