As Introduced

135th General Assembly

Regular Session 2023-2024

H. B. No. 92

Representatives Young, T., Santucci

Cosponsors: Representatives Abdullahi, Barhorst, Click, Creech, Demetriou, Ferguson, Hall, Johnson, King, Merrin, Wiggam, Williams

A BILL

| То | enact section 4729.71 of the Revised Code to | 1 |
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| | establish the Canadian Prescription Drug | 2 |
| | Importation Program, to name this act the Save | 3 |
| | Ohio Safe Rx Act, and to make an appropriation. | 4 |

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

| Section 1. That section 4729.71 of the Revised Code be | 5 |
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| enacted to read as follows: | 6 |
| Sec. 4729.71. (A) (1) In an effort to generate substantial | 7 |
| cost savings for consumers of prescription drugs in this state, | 8 |
| the state board of pharmacy shall develop a program for the | 9 |
| importation of safe and effective prescription drugs from | 10 |
| Canada, which shall be known as the Canadian prescription drug | 11 |
| importation program. | 12 |
| (2) The board shall contract with a third-party entity to | 13 |
| perform on behalf of the board the duties described in divisions | 14 |
| (B) to (D) of this section. To be qualified to contract with the | 15 |
| board, a third-party entity must have assisted one or more other | 16 |
| states in developing, establishing, or administering, in | 17 |

| accordance with section 804 of the "Federal Food, Drug, and | 18 |
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| Cosmetic Act," 21 U.S.C. 384, a prescription drug importation | |
| program. | 20 |
| (B) In developing the program, the third-party entity | 21 |
| | 22 |
| shall do all of the following: | 22 |
| (1) Identify wholesalers for the importation of | 23 |
| <pre>prescription drugs from Canada;</pre> | 24 |
| (2) Identify prescription drug suppliers regulated under | 25 |
| the laws of Canada or of one or more Canadian provinces or both; | 26 |
| (3) Identify the drugs expected to generate substantial | 27 |
| cost savings for consumers in this state; | 28 |
| | |
| (4) Establish measures for importing only the following | 29 |
| <pre>prescription drugs:</pre> | 30 |
| (a) Drugs that satisfy federal food and drug | 31 |
| administration safety and effectiveness standards; | 32 |
| (b) Drugs that are expected to generate substantial cost | 33 |
| savings for consumers in this state. | 34 |
| | |
| (5) Ensure that the program has the ability to comply with | 35 |
| the transaction and tracing requirements of sections 581 and 582 | 36 |
| of the "Federal Food, Drug, and Cosmetic Act," 21 U.S.C. 360eee | 37 |
| and 360eee-1; | 38 |
| (6) Recommend a charge per prescription or another method | 39 |
| of financing to ensure that the program is adequately funded in | 40 |
| a manner that does not jeopardize significant cost savings to | 41 |
| consumers, including adequate funding for the initial start-up | 42 |
| costs of the program. | 43 |
| | |
| (C) Not later than four months after the effective date of | 44 |

| this section, the third-party entity shall submit to the United | 45 |
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| States department of health and human services, in accordance | 46 |
| with section 804 of the "Federal Food, Drug, and Cosmetic Act," | 47 |
| 21 U.S.C. 384, a request for approval and certification of the | 48 |
| program developed under division (B) of this section. | 49 |
| If the United States department of health and human | 50 |
| services approves and certifies the program, not later than six | 51 |
| months after receipt of the approval and certification, the | 52 |
| third-party entity shall establish and administer the program. | 53 |
| (D) (1) In establishing and administering the program, both | 54 |
| of the following apply: | 55 |
| (a) The third-party entity shall do all of the following: | 56 |
| (i) Comply with the requirements of 21 U.S.C. 384 as well | 57 |
| as any conditions specified by the United States department of | 58 |
| health and human services in its approval and certification of | |
| <pre>the program;</pre> | 60 |
| (ii) Enter into a contract with a wholesaler identified | 61 |
| under division (B) (1) of this section; | 62 |
| (iii) Enter into contracts with one or more of the drug | 63 |
| suppliers identified under division (B)(2) of this section; | 64 |
| (iv) Enter into contracts with one or more entities | 65 |
| located in this state for distribution of the imported | 66 |
| <pre>prescription drugs;</pre> | 67 |
| (v) Consult with health plan issuers, employers, | 68 |
| pharmacies, pharmacists, health care providers, and consumers; | 69 |
| (vi) Develop a process by which health plan issuers, | 70 |
| pharmacies, and health care providers may register to | 71 |
| participate in the program; | 72 |

| (vii) Establish and periodically update the list of | 73 |
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| prescription drugs to be imported under the program and make the | 74 |
| list available to the board; | 75 |
| (viii) Ensure that prescription drugs imported under the | 76 |
| | |
| program are dispensed, sold, or distributed only in this state; | 77 |
| (ix) Periodically provide to the board information | 78 |
| identifying the prices of prescription drugs imported under the | 79 |
| program and the locations where the prescription drugs are | 80 |
| dispensed, distributed, or sold; | 81 |
| (x) Establish a toll-free telephone line to answer | 82 |
| questions and address the needs of consumers, employers, health | 83 |
| plan issuers, pharmacies, health care providers, and others | 84 |
| | 85 |
| <pre>impacted by the program;</pre> | 0.3 |
| (xi) Conduct on an annual basis an audit of the program | 86 |
| and share audit findings with the board; | 87 |
| (xii) Make available to the board any information | 88 |
| necessary for the board to prepare the report required by | 89 |
| division (E)(2) of this section; | 90 |
| <u> </u> | 3 0 |
| (xiii) Conduct any other activity required by the board in | 91 |
| rules adopted under this section. | 92 |
| (b) The third-party entity shall negotiate with the board | 93 |
| the fee to be paid to the entity for administering the program. | 94 |
| The amount of the fee shall be either a markup of the drugs | 95 |
| purchased or a percentage of the savings achieved under the | 96 |
| program, as calculated by the board in consultation with the | 97 |
| department of administrative services. | 98 |
| | |
| (2) On the request of the board, acting in consultation | 99 |
| with the department of administrative services, the third-party | 100 |

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| entity may, on behalf of state agencies, negotiate prices for | 101 |
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| and directly purchase any prescription drugs, including drugs | 102 |
| such as insulin, epinephrine, and, as defined in section 3715.01 | 103 |
| of the Revised Code, biological products and interchangeable | 104 |
| biological products, from manufacturers whose drugs have been | 105 |
| approved for use in the United States by the federal food and | 106 |
| drug administration. Such negotiations and purchases shall be | 107 |
| conducted according to the same terms and conditions as | 108 |
| negotiations and purchases are conducted under the Canadian | 109 |
| prescription drug importation program and the third-party entity | 110 |
| shall be compensated for such negotiations and purchases in the | 111 |
| same amount as described in division (D)(1)(b) of this section. | 112 |
| (E) (1) With respect to the information described in | 113 |
| divisions (D)(1)(a)(vii) and (ix) of this section, the board | 114 |
| shall make the information available to the public on the | 115 |
| internet web site maintained by the board. The board shall | 116 |
| periodically update the web site to reflect any changes in the | 117 |
| <u>information</u> . | 118 |
| The board also shall engage in activities to generate | 119 |
| <pre>public awareness of the program.</pre> | 120 |
| (2) Not later than eighteen months after the effective | 121 |
| date of this section and every year thereafter, the board shall | 122 |
| submit to the president of the senate, the speaker of the house | 123 |
| of representatives, and the chairpersons of the standing | 124 |
| committees of the house of representatives and senate that are | 125 |
| primarily responsible for considering health issues a report | 126 |
| regarding the administration of the program during the previous | 127 |
| year. Each submitted report shall include all of the following: | 128 |
| (a) The prescription drugs included under the program; | 129 |

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|---|--------------------|----------------------|--------|
| (b) The number of ph | narmacies, health | care providers, and | 130 |
| health plan issuers partic | cipating in the pr | ogram; | 131 |
| (c) The number of pr | rescriptions for w | hich drugs were | 132 |
| dispensed through the prod | gram; | | 133 |
| (d) The estimated co | st savings to con | sumers, health plan | 134 |
| issuers, employers, and the | nis state over the | e previous year; | 135 |
| (e) The findings of | audits conducted | over the previous | 136 |
| year; | | | 137 |
| (f) Any other inform | nation required by | the board in rules | 138 |
| adopted under this section | <u>1.</u> | | 139 |
| (F) The board shall | adopt rules as ne | cessary to implement | 140 |
| this section. The rules shall be adopted in accordance with | | 141 | |
| Chapter 119. of the Revise | ed Code. | | 142 |
| Section 2. All items | ; in this act are | hereby appropriated | 143 |
| as designated out of any r | _ | _ | 144 |
| credit of the designated t | _ | | 145 |
| made in this act, those in | | - | 146 |
| 2024 and those in the second | | - | 147 |
| The operating appropriation | | | 148 |
| any other operating approp | priations made for | these fiscal years. | 149 |
| Section 3. | | | 150 |
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| A | PRX STATE BOARD C | OF PHARMACY | |

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|--|----------------|--------|-----|
| C GRF 887403 Prescription Drug Importation Program | \$2,000,000 | \$0 | |
| D TOTAL GRF General Revenue Fund | \$2,000,000 | \$0 | |
| E TOTAL ALL BUDGET FUND GROUPS | \$2,000,000 | \$0 | |
| PRESCRIPTION DRUG IMPORTATION PROGRAM | | | 152 |
| The foregoing appropriation item 887403, Pre | scription Drug | | 153 |
| Importation Program, shall be used for the Canadian Prescription | | | 154 |
| Drug Importation Program, in accordance with sect | ion 4729.71 of | | 155 |
| the Revised Code. | | | 156 |
| Section 4. Within the limits set forth in th | is act, the | | 157 |
| Director of Budget and Management shall establish accounts | | | 158 |
| indicating the source and amount of funds for each appropriation | | | 159 |
| made in this act, and shall determine the manner in which | | | 160 |
| appropriation accounts shall be maintained. Expend | ditures from | | 161 |
| operating appropriations contained in this act shall be | | | 162 |
| accounted for as though made in, and are subject to all | | | 163 |
| applicable provisions of, the main operating appropriations act | | | 164 |
| of the 135th General Assembly. | | | 165 |
| Section 5. This act shall be known as the Sa | ve Ohio Safe | | 166 |
| Rx Act. | | | 167 |