

By Senator Geller

31-1589-05

1 A bill to be entitled
2 An act relating to a prescription drug
3 reimportation program; providing legislative
4 findings; providing definitions; authorizing
5 the Agency for Health Care Administration to
6 enter into an agreement with the state of
7 Illinois regarding its program for accessing
8 affordable prescription drugs in other
9 countries; requiring the agency to maintain a
10 web site; requiring the agency to work with
11 other states that are participating in the
12 program; creating a joint work group for
13 administration of the program; authorizing the
14 state of Illinois to act as primary
15 administrator for the program; providing for
16 standards of practice; providing for
17 modification of the agreement; providing for
18 the state of Illinois to provide notice to the
19 agency regarding the addition of another state
20 to the program; authorizing the state of
21 Illinois and the agency to conduct inspections
22 of network pharmacies; providing that only
23 prescription drugs that are approved by the
24 state of Illinois may be filled by the network
25 pharmacies; providing for the agency and the
26 state of Illinois to coordinate media and
27 outreach efforts; requiring the pharmacy
28 benefits manager to pay acquisition fees to the
29 program for certain purposes; providing that
30 the agency is entitled to a certain amount of
31 the acquisition fees; authorizing the state of

1 Illinois or the agency to withdraw from the
2 agreement; providing that the state of Illinois
3 or the agency is not liable for acts or
4 omission of acts arising from the agreement;
5 creating a working group to develop promotional
6 tools related to the program; providing duties
7 of the working group; providing that the agency
8 is not liable for any injury or damage to a
9 person from products obtained through the
10 program; providing an effective date.

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12 Be It Enacted by the Legislature of the State of Florida:

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14 Section 1. Prescription drug reimportation program.--

15 (1) LEGISLATIVE FINDINGS.--The Legislature makes the
16 following findings of fact:

17 (a) I-SaveRx is a prescription drug program
18 implemented by the state of Illinois in October 2004.

19 (b) I-SaveRx allows Illinois residents to refill
20 prescriptions for the most-common brand-name prescription
21 drugs used to treat chronic illnesses from a network of
22 inspected and approved pharmacies in Canada and the United
23 Kingdom. The mail-order pharmacy program is accessible through
24 a web site and a 24-hour, toll-free telephone number.

25 (c) Participants in I-SaveRx are expected to save from
26 25 to 50 percent on the cost of medications. The program
27 includes provisions to ensure the safety and quality of the
28 prescriptions by requiring the inspection and approval of the
29 pharmacies who participate.

30 (d) Since implementation of I-SaveRx, Wisconsin,
31 Missouri, Kansas, and Vermont have joined the program.

1 (e) Residents of this state require timely access to
2 safe, high-quality, and efficacious prescription drugs that
3 are not available in the United States at affordable prices.

4 (f) The state of Illinois has expended significant
5 time and resources in inspecting and ensuring the safety of
6 pharmacies in Canada and Europe. It has contracted with a
7 pharmacy benefit manager for services, including the provision
8 of certain prescription drugs from Canada, Ireland, and the
9 United Kingdom, in a safe and affordable manner.

10 (g) Reimportation is not a comprehensive, long-term
11 solution to the problem of drug affordability; however,
12 I-SaveRx will provide residents of this state with an interim
13 option for obtaining safe and affordable prescription drugs.

14 (2) DEFINITIONS.--As used in this section, the term:

15 (a) "Agency" means the Agency for Health Care
16 Administration.

17 (b) "Network pharmacy" means a pharmacy that is
18 participating in the network set up by the pharmacy benefit
19 manager. The term "network pharmacies" has the same meaning as
20 it has under the PBM agreement.

21 (c) "Pharmacy benefits management" or "PBM" means the
22 procurement of prescription drugs at a negotiated rate for
23 dispensation within the state to covered individuals, the
24 administration or management of prescription drug benefits
25 provided by a covered entity for the benefit of covered
26 individuals, or any of the following services provided with
27 regard to the administration of pharmacy benefits:

28 1. Mail service-pharmacy;

29 2. Claims processing, retail network management, and
30 payment of claims to pharmacies for prescription drugs
31 dispensed to covered individuals;

1 3. Clinical formulary development and management
2 services;

3 4. Rebate contracting and administration;

4 5. Patient compliance, therapeutic intervention, and
5 generic-substitution programs; and

6 6. Disease management programs.

7 (d) "Pharmacy benefit manager" means an entity that
8 performs pharmacy benefits management. The term includes a
9 person or entity acting for a pharmacy benefits manager in a
10 contractual or employment relationship in the performance of
11 pharmacy benefits management for a covered entity and includes
12 mail-service pharmacy.

13 (3)(a) The agency may enter into an agreement with the
14 state of Illinois regarding access for each state's residents
15 to safe and affordable prescription drugs from Canada,
16 Ireland, and the United Kingdom through the state of Illinois
17 I-SaveRx program.

18 (b)1. The agency shall maintain a separate web site
19 that provides a link to www.I-SaveRx.net. In its pharmacy
20 benefits management agreement with its pharmacy benefits
21 manager, the state of Illinois must specify that Florida
22 residents with zip code addresses in this state shall be
23 provided access to the services available through the I-SaveRx
24 program and that residents of this state shall be considered
25 "program participants," as that term is defined in the PBM
26 agreement. The operation and administration of the web site
27 accessed via the I-SaveRx site will be the responsibility of
28 the pharmacy benefits manager, as is outlined in the PBM
29 agreement.

30 2. The agency shall work with other participating
31 states to ensure an adequate supply of prescription drugs from

1 the program countries. If demand exceeds the supplies
2 available, the state of Illinois must be given first priority
3 over all other program participants. The term "participating
4 states" means Illinois and any other state that enters or has
5 entered into an agreement with the state of Illinois to
6 participate in the I-SaveRx program.

7 (c)1. To ensure adequate input regarding the safe and
8 effective administration of the I-SaveRx program, the agency
9 shall be part of the Joint Work Group (JWG), composed of two
10 representatives from each participating state. The JWG shall
11 meet or confer on an as-needed basis. The representatives from
12 this state shall be the Secretary of Health Care
13 Administration or his or her designee and the chair of the
14 Board of Pharmacy or his or her designee.

15 2. The state of Illinois shall act as the primary
16 administrator of the PBM agreement. To ensure the safety of
17 their respective residents, the participating states have
18 agreed upon a single set of standards of practice, outlined in
19 schedule A of the PBM agreement. These standards of practice
20 are incorporated into the PBM agreement between Illinois and
21 the pharmacy benefits manager. Under the PBM agreement, the
22 pharmacy benefits manager and the network pharmacies shall
23 comply with the agreed-upon standards of practice.

24 3. Any reports issued by the pharmacy benefits manager
25 or local regulatory authorities regarding the network
26 pharmacies' compliance, or lack thereof, with the standards of
27 practice shall be provided to this state. The JWG shall
28 determine the specific types of data that should be included
29 in any such reports issued by the pharmacy benefits manager
30 and the periodic basis on which such reports are issued.

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1 4. If the state of Illinois or the pharmacy benefits
2 manager wishes to modify the agreed-upon standards of
3 practice, the state of Illinois will notify the agency in
4 writing at least 15 days before the planned implementation of
5 such amendment or modification. The standards of practice may
6 not, under any circumstances, be modified or amended without
7 the full and unanimous consent of the JWG. Additionally, the
8 JWG shall review the standards of practice periodically for
9 the purpose of considering modifications or amendments.

10 5. If the standards of practice are violated by any
11 network pharmacy, the agency shall provide written notice to
12 the state of Illinois and the pharmacy benefits manager of
13 such violation. Upon receiving such written notice from the
14 agency, the state of Illinois shall instruct the pharmacy
15 benefits manager to suspend such pharmacy immediately from the
16 list of network pharmacies eligible to fill prescriptions for
17 program participants, pending a further review by the pharmacy
18 benefits manager and the participating states which may result
19 in either reinstatement or exclusion from participation in the
20 program.

21 6. If other states, in addition to this state, join
22 the state of Illinois in providing access to prescription
23 drugs through the I-SaveRx program, the state of Illinois
24 shall provide written notice to the agency. Further, the state
25 of Illinois should ensure that such addition of other states
26 will not in any way render less stringent the existing
27 standards of practice.

28 7. Under the PBM agreement, the state of Illinois may
29 conduct on-site inspections of the network pharmacies with or
30 without advance notice. The agency also may participate in
31 such inspections along with the state of Illinois. To the

1 extent that additional pharmacies are added to the list of
2 network pharmacies, the agency may also inspect those
3 pharmacies independently. The agency shall provide in writing
4 to the state of Illinois any plans or intentions of the agency
5 to inspect independently 14 days before such inspection,
6 unless the inspection is an investigation of a complaint.

7 8. Under the PBM agreement, only those prescription
8 drugs approved by the state of Illinois shall be filled by the
9 network pharmacies for the I-SaveRx program participants. The
10 JWG shall review the approved drug list periodically and
11 consider any proposed changes. The approved drug list may not
12 be modified without the consent of the JWG. Only if the JWG
13 cannot agree on a proposed modification to the drug list shall
14 the voting power of the JWG be determined by the respective
15 populations of the participating states.

16 (d) The state of Illinois and the agency shall
17 coordinate, where mutually beneficial, media and outreach
18 efforts. Additionally, with input from the state of Illinois,
19 the agency shall independently promote the I-SaveRx program.
20 The agency shall use the name, logo, web site, and marketing
21 materials that have been developed by the state of Illinois;
22 however, the state seal and the Governor's name may be added
23 to the materials. The pharmacy benefits manager shall pay
24 I-SaveRx acquisition fees to the program to be used for such
25 activities as marketing, outreach, and additional inspections.
26 The agency is entitled to such pool of acquisition fees in an
27 amount proportional to the percentage of I-SaveRx prescription
28 drug sales attributable to zip codes in this state.

29 (e) The state of Illinois or the agency may withdraw
30 from this agreement and terminate this cooperative
31 relationship at any time, without cause, upon written notice

1 to the other states. Withdrawal by the agency may be
2 accomplished by act of the Legislature.

3 (f) The agency, its employees, agents, or
4 representatives taking any act as a result of this agreement
5 are not liable for any acts or omissions of the state of
6 Illinois or its agencies, employees, agents, or
7 representatives in carrying out the activities governed by
8 this agreement. The state of Illinois, its agencies,
9 employees, agents, or representatives taking any act as a
10 result of this agreement are not liable for the acts or
11 omissions of the agency, its employees, agents, or
12 representatives in carrying out the activities governed by
13 this agreement.

14 (4)(a) The Secretary of Health Care Administration or
15 his or her designee is responsible for implementing this act.

16 (b) Within 21 days after the effective date of this
17 act, the Secretary of Health or his or her designee shall
18 convene a working group to develop outreach and promotion
19 tools related to the I-SaveRx program. The following six state
20 officials shall be members of the working group:

21 1. The Secretary of Health Care Administration, or his
22 or her designee;

23 2. The Secretary of Management Services, or his or her
24 designee;

25 3. The Secretary of Elderly Affairs, or his or her
26 designee;

27 4. The Secretary of Health, or his or her designee;

28 5. The executive director of the Office of Insurance
29 Regulation, or his or her designee; and

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1 6. The deputy secretary of the Division of Health
2 Quality Assurance within the Agency for Health Care
3 Administration, or his or her designee.

4 (c) Duties of the working group shall include
5 developing communication tools, such as enrollment forms,
6 explanatory brochures, a web site, inserts in utility and tax
7 bills, and promotional magnets and posters, and directing
8 outreach and material distribution to all health care
9 providers and relevant health care associations.

10 (5) The agency is not liable for any injury or damage
11 caused to a person from products obtained through the I-SaveRx
12 program.

13 Section 2. This act shall take effect upon becoming a
14 law.

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17 SENATE SUMMARY

18 Authorizes the Agency for Health Care Administration to
19 enter into an agreement with the state of Illinois
20 regarding its program for accessing affordable
21 prescription drugs in other countries. Requires the
22 agency to work with other states that are participating
23 in the program. Creates a joint work group for
24 administration of the program. Authorizes the state of
25 Illinois to act as primary administrator for the program.
26 Provides for modification of the agreement. The state of
27 Illinois is to provide notice to the agency regarding the
28 addition of another state to the program. Authorizes the
29 state of Illinois and the agency to conduct inspections
30 of network pharmacies. Provides that only prescription
31 drugs that are approved by the state of Illinois may be
filled by the network pharmacies. Provides for the agency
and the state of Illinois to coordinate media and
outreach efforts. Requires the pharmacy benefits manager
to pay acquisition fees to the program for certain
purposes. Provides that the agency is entitled to a
certain amount of the acquisition fees. Authorizes the
state of Illinois or the agency to withdraw from the
agreement. Provides that the state of Illinois or the
agency is not liable for acts or omission of acts arising
from the agreement. Creates a working group to develop
promotional tools related to the program. Provides that
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person from products obtained through the program.