

## 2004 SESSION

INTRODUCED

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### HOUSE BILL NO. 190

Offered January 14, 2004

Prefiled January 6, 2004

*A BILL relating to purchasing drugs from Canadian businesses for insured state employees.*

Patrons—Black, Cole, Dudley, Fralin, Hargrove, Petersen and Shuler; Senator: Edwards

Referred to Committee on Health, Welfare and Institutions

Whereas, payment for prescription drugs is the fastest growing segment of health care expenditures both at the national level and here in the Commonwealth; and

Whereas, an estimated one million to two million Americans buy drugs from Canadian businesses, where they are up to 50 percent cheaper because of price controls; and

Whereas, the Commonwealth spent a total of \$105.1 million on pharmacy costs for insured state employees in Fiscal Year 2003, which was a 13 percent overall increase from Fiscal Year 2002; and

Whereas, Illinois, Michigan, Iowa and Minnesota recently announced that they are exploring the option of purchasing drugs from Canada for insured state workers because rising drug costs are forcing them to cut other services; and

Whereas, this act shall have the popular name, the Free Trade Prescription Act; now, therefore,

#### **Be it enacted by the General Assembly of Virginia:**

**1. § 1. Evaluation of a certain prescription drug purchasing option for insured state employees.**  
*For the purpose of providing the Commonwealth's employees with a future that includes affordable health care, the Department of Human Resource Management, in consultation with the Office of the Attorney General and the Executive Director of the Board of Pharmacy, shall evaluate and may implement, if feasible and cost effective and consistent with federal law and regulation, a process for purchasing reduced-cost prescription drugs from Canada in order to contain pharmacy costs for the state employees in the State Health Benefits Program established pursuant to § 2.2-2818. The Department may consult with the federal Food and Drug Administration and other federal officials in conducting such evaluation and shall examine the relevant federal regulations concerning both the legality and safety of importation of drugs from Canada prior to implementing any such importation program.*

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