

1 S.136

2 Introduced by Senators Pearson, Ashe, Lyons and Sirotkin

3 Referred to Committee on

4 Date:

5 Subject: Health; prescription drugs; wholesale importation

6 Statement of purpose of bill as introduced: This bill proposes to designate the
7 Agency of Human Services as the State entity responsible for developing and
8 implementing a program for the wholesale importation of prescription drugs
9 into Vermont from Canada. It would also authorize the Vermont Board of
10 Pharmacy to create two new prescription drug wholesaler licenses for certain
11 market participants in the prescription drug importation program.

12 An act relating to next steps toward implementing a wholesale importation
13 program for prescription drugs from Canada

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. FINDINGS

16 The General Assembly finds that:

17 (1) 2018 Acts and Resolves No. 133 directed the Agency of Human
18 Services to design a wholesale prescription drug importation program that
19 would import lower-cost prescription drugs into Vermont from Canada. The

1 act required the Agency to submit its proposed design to the legislative
2 committees of jurisdiction on or before January 1, 2019.

3 (2) The Agency's proposed program design, which was submitted on
4 December 31, 2018, contained several considerations for next steps, including:

5 (A) creating a detailed list of upfront and ongoing State expenses to
6 operate the prescription drug importation program;

7 (B) estimating the total potential savings of an importation program
8 relative to certain costs and expected revenue;

9 (C) establishing a clear mechanism to ensure that savings will accrue
10 to Vermont consumers;

11 (D) assessing the level of interest from prescription drug suppliers
12 and wholesalers;

13 (E) enacting legislation to assign to appropriate State entities the
14 responsibility for operating the program, along with appropriating necessary
15 funds;

16 (F) enacting legislation enabling the Office of Professional
17 Regulation to create new license categories; and

18 (G) submitting a successful application to the Secretary of the U.S.
19 Department of Health and Human Services.

20 (3) This act appoints the Agency of Human Services as the administrator
21 of the wholesale importation program and authorizes the Board of Pharmacy in

1 the Office of Professional Regulation to establish a “Prescription Drug
2 Importer-Wholesaler” license and a “Canadian Prescription Drug Supplier”
3 license.

4 Sec. 2. 3 V.S.A. § 3028 is added to read:

5 § 3028. WHOLESALE PRESCRIPTION DRUG IMPORTATION
6 PROGRAM

7 (a) The Agency of Human Services shall be responsible for the
8 development, implementation, and administration of a wholesale prescription
9 drug importation program that complies with the applicable requirements of
10 21 U.S.C. § 384, including the requirements regarding safety and cost savings.

11 (b) The Secretary of Human Services may adopt rules pursuant to chapter
12 25 of this title as needed to develop, implement, and administer the program.

13 Sec. 3. OFFICE OF PROFESSIONAL REGULATION; NEW
14 PRESCRIPTION DRUG WHOLESALER LICENSES

15 (a) The Board of Pharmacy in the Office of Professional Regulation, in
16 consultation with the Agency of Human Services, shall develop two new
17 prescription drug wholesaler license categories as follows:

18 (1) one license shall be for a “Prescription Drug Importer-Wholesaler”;
19 and

20 (2) one license shall be for a “Canadian Prescription Drug Supplier.”

1 (b) The Board of Pharmacy shall ensure that the license numbers, class of
2 activity, and locations of the new wholesalers are publicly available in order to
3 facilitate the verification of pedigrees by downstream importers, wholesalers,
4 and pharmacies.

5 Sec. 4. EFFECTIVE DATE

6 This act shall take effect on July 1, 2019.