SENATE BILL 32

AN ACT reestablishing the commission to study greater transparency in pharmaceutical costs and drug rebate programs.

SPONSORS: Sen. Cavanaugh, Dist 16; Sen. Morgan, Dist 23

COMMITTEE: Health and Human Services

ANALYSIS

This bill reestablishes the commission to study greater transparency in pharmaceutical costs and drug rebate programs.

Explanation: Matter added to current law appears in **bold italics.**
Matter removed from current law appears [in brackets and struckthrough.]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.
AN ACT reestablishing the commission to study greater transparency in pharmaceutical costs and drug rebate programs.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1. New Section; Commission to Study Greater Transparency in Pharmaceutical Costs and Drug Rebate Programs. Amend RSA 126-A by inserting after section 77 the following new section:


I. There is established a commission to study greater transparency in pharmaceutical costs and drug rebate programs.

(a) The members of the commission shall be as follows:

(1) Three members of the house of representatives, appointed by the speaker of the house of representatives.

(2) One member of the senate, appointed by the president of the senate.

(3) The insurance commissioner, or designee.

(4) The commissioner of the department of health and human services, or designee.

(5) One public member, appointed by the governor.

(6) A representative of the New Hampshire Hospital Association, appointed by the association.

(7) A physician licensed under RSA 329, appointed by the New Hampshire Medical Society.

(8) The executive director of New Futures, or designee.

(9) A representative of the New Hampshire Pharmacists Association, appointed by the association.

(10) A representative of the Business and Industry Association of New Hampshire, appointed by the association.

(11) A member representing pharmacy benefit managers, appointed by the Pharmaceutical Care Management Association.

(12) A representative of America’s Health Insurance Plans (AHIP), appointed by that organization.

(13) A representative of Pharmaceutical Research and Manufacturers of America, appointed by that organization.

(b) Legislative members of the commission shall receive mileage at the legislative rate when attending to the duties of the commission.
II.(a)(1) The commission shall study how to achieve greater transparency in pharmaceutical costs by identifying and analyzing certain critical prescription drugs and their role in overall health care spending in the New Hampshire and by analyzing the amounts rebated by drug manufacturers for certain high cost and high utilization prescription drugs. The commission's study shall include, but not be limited to:

(A) Studying strategies available to achieve greater transparency in pharmaceutical costs by identifying and analyzing certain critical prescription drugs and their role in overall health care spending and the impact of price increases on patients and their families.

(B) Reviewing legislative efforts in other states and taking advantage of any other analysis by outside organizations or foundations.

(C) Analyzing the impact of drug prices on insurance premium costs, consumer out-of-pocket costs for prescription drugs, and state and county purchasing of prescription drugs.

(D) Analyzing the potential impact of transparency in relation to the practices of pharmaceutical manufacturers and pharmacy benefits managers, including how research and development, marketing, and rebates affect drug prices.

(E) Proposing changes to New Hampshire law, as needed, to reduce the rising cost of pharmaceuticals.

(2) The commission shall also study the role pharmacy benefit managers play in the cost, administration, and distribution of prescription drugs; if greater transparency in pharmaceutical costs to purchasers would lower costs in overall health care spending in New Hampshire; and analyzing the amounts rebated by drug manufacturers for prescription drugs passed to purchasers and patients. The goal shall be to determine if any changes to New Hampshire laws could reduce the rising cost of pharmaceuticals to purchasers or patients.

(b) The commission may solicit input from any person or entity the commission deems relevant to its study.

III. The members of the commission shall elect a chairperson from among the members. The first meeting of the commission shall be called by the first-named house member. The first meeting of the commission shall be held within 45 days of the effective date of this section. Eight members of the commission shall constitute a quorum.

IV. The commission shall make a report with its findings and any recommendations for proposed legislation on or before November 1, 2020 to the speaker of the house of representatives, the president of the senate, the house clerk, the senate clerk, the governor, and the state library.

2 Repeal. RSA 126-A:77-a, relative to a commission to study greater transparency in pharmaceutical costs and drug rebate programs, is repealed.

3 Membership of the Commission to Study Greater Transparency in Pharmaceutical Costs and Drug Rebate Programs. To the extent possible, the membership of the commission to study greater transparency in pharmaceutical costs and drug rebate programs reestablished in section 1 of this act shall remain the same as the commission established in former RSA 126-A:77.
Effective Date.

I. Section 2 of this act shall take effect November 1, 2020.

II. The remainder of this act shall take effect upon its passage.