Washington State House of Representatives

BILL ANALYSIS

Office of Program Research

Health Care Committee

HB 1181

Brief Description: Providing for reporting of prescription drug pricing.

Sponsors: Representatives Edwards, Pflug, Cody, Hunt, Moeller, O'Brien, Kenney, Schual-Berke, Wallace, Lantz, Conway, Morrell, Campbell, Chase and Kirby.

Brief Summary of Bill

 Drug manufacturers and wholesalers must file price reports with the Health Care Authority, if requested.

Hearing Date: 1/30/03

Staff: Dave Knutson (786-7146).

Background:

There is no statutory requirement that pharmaceutical manufacturers or wholesale distributors of prescription drugs file reports with the state on the cost of manufacturing prescription drugs or the price paid to the manufacturer by a wholesaler.

Summary of Bill:

Pharmaceutical manufacturing companies and wholesale distributors of prescription drugs are required to file with the administrator of the Health Care Authority, if requested, the average manufacturer price of producing a prescription drug, and the price that the wholesaler pays to the manufacturer for a prescription drug. The Health Care Authority and the Attorney General are authorized to investigate submitted reports to determine their accuracy. The Attorney General is authorized to bring an action and impose civil penalties if a manufacturer fails to file a report as required, or files inaccurate information. The information received from manufacturers or wholesalers may not be disclosed, except to state purchased health care programs or committees created to facilitate state purchased health care.

Appropriation: None.

Fiscal Note: Requested on January 24, 2003.

Effective Date: Ninety days after adjournment of session in which bill is passed.