
SENATE BILL 5722

State of Washington

58th Legislature

2003 Regular Session

By Senators Deccio, Winsley, Swecker, Oke, T. Sheldon, Hewitt, Horn, Morton, Carlson, Honeyford, Mulliken, Schmidt, Johnson, Thibaudeau, Zarelli, Finkbeiner, Roach, Benton, McCaslin, Rasmussen and Kohl-Welles

Read first time 02/07/2003. Referred to Committee on Health & Long-Term Care.

1 AN ACT Relating to prescription drug access; adding new sections to
2 chapter 41.05 RCW; and creating a new section.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature finds that prescription
5 drugs are vital to the health of many Washington residents, but that
6 their high cost makes access to them increasingly difficult. However,
7 consolidating the purchasing power of public and private entities and
8 establishing a single entity to negotiate prices will result in a
9 reduction in the price of drugs so that every resident of the state
10 will have access to drugs at the lowest possible cost. The legislature
11 intends to further this purpose by establishing the prescription drug
12 access board and consortium of prescription drug purchasing entities.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 41.05 RCW
14 to read as follows:

15 (1) The prescription drug access board is created to negotiate
16 prescription drug prices on behalf of the consortium of prescription
17 drug purchasing entities established under section 3 of this act. The
18 authority shall provide staff and administrative support to the board.

1 (2) The prescription drug access board shall be composed of seven
2 members selected as provided in this subsection.

3 (a) The governor shall select one member of the prescription drug
4 access board from lists of nominees submitted by statewide
5 organizations representing each of the following:

6 (i) One representative of organized labor;

7 (ii) One member who is a licensed physician;

8 (iii) One member who is a licensed pharmacist;

9 (iv) One member representing a health carrier licensed under Title
10 48 RCW;

11 (v) One member representing consumers; and

12 (vi) One member representing business.

13 (b) The governor shall also appoint one member representing state
14 agencies that purchase prescription drugs.

15 (3) No person shall be appointed to or remain on the board who is
16 employed by a pharmaceutical manufacturer, or who receives or has
17 received remuneration, grants, or other thing of economic value from a
18 pharmaceutical manufacturer if it could reasonably be expected that the
19 remuneration, grant, or thing of economic value would influence the
20 vote, action, or judgment of the person as a member of the board.

21 (4) The governor shall appoint the initial members of the
22 prescription drug access board to staggered terms not to exceed four
23 years. Members appointed thereafter shall serve two-year terms. A
24 board member whose term has expired shall continue to serve until his
25 or her successor is appointed. Vacancies on the board must be filled
26 for the balance of the unexpired term from nominee lists for the
27 appropriate category under subsection (2) of this section. Members of
28 the board shall not be compensated but shall be reimbursed for their
29 expenses in accordance with RCW 43.03.050 and 43.03.060.

30 (5) Board members shall select a chair and a vice-chair on an
31 annual basis from the board membership.

32 NEW SECTION. **Sec. 3.** A new section is added to chapter 41.05 RCW
33 to read as follows:

34 (1) The administrator shall establish a broad-based consortium of
35 prescription drug purchasing entities consisting of state, local, and
36 private entities to reduce the cost of prescription drugs for
37 consortium participants, their employees, members, or clients.

1 (2) Participation by local governments or private entities is
2 purely voluntary. The administrator may charge reasonable
3 administrative fees to those entities who choose to participate in the
4 consortium.

5 (3) Unaffiliated individuals who lack prescription drug coverage
6 following payment of a reasonable annual enrollment fee shall receive
7 reduced costs comparable to those negotiated by the consortium for its
8 preferred prescription drugs.

9 NEW SECTION. **Sec. 4.** A new section is added to chapter 41.05 RCW
10 to read as follows:

11 The consolidated prescription drug purchasing account is created in
12 the custody of the state treasurer. All receipts from fees under
13 section 3 of this act must be deposited into the account. Expenditures
14 from the account may be used only for the purposes of sections 2 and 3
15 of this act. Only the administrator or the administrator's designee
16 may authorize expenditures from the account. The account is subject to
17 allotment procedures under chapter 43.88 RCW, but an appropriation is
18 not required for expenditures.

--- END ---