

Bill Summary
1st Session of the 57th Legislature

Bill No.:	SB 940
Version:	INT
Request No.:	865
Author:	Sen. Pugh
Date:	02/26/2020

Bill Analysis

SB 940 creates the Prescription Drug Safety and Cost Reduction Pilot Program Act. The measure directs the Oklahoma State Department of Health to submit an application to the United States Secretary of Health and Human Services in order to establish a Canadian prescription drug importation pilot program. The Department shall work with the Oklahoma Health Care Authority to identify the top five to top ten prescribed drugs through the state Medicaid program with large price differentials between Canadian and U.S. average prices.

Upon receiving approval of the program, the Department is directed to create an advisory group to propose rules and changes in law. The changes must enable the Department to initiate requests for proposals, establish fee-per-units, pharmaceutical manufacturers, suppliers, and prohibit pharmacy benefit managers from taking certain actions.

Prepared by: Kalen Taylor

Fiscal Analysis

FY'21 Impact: \$570,000.00

Full Year Impact: Pending

SB 940 will have OSDH submit an application to initiate a Canadian prescription drug importation pilot program. OSDH currently estimates a \$570k start-up cost to develop the application. \$300k for a pharmacy consultant (3 FTE) and \$270 for 2 FTE at OSDH and their equipment. The full year impact is currently unknown as the drugs to be imported have yet to be determined.

Prepared by: Oklahoma State Department of Health