

**Senator Deidre M. Henderson** proposes the following substitute bill:

**PRESCRIPTION DRUG AMENDMENTS**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Norman K. Thurston**

Senate Sponsor: Deidre M. Henderson

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**LONG TITLE**

**General Description:**

This bill creates a program to study the importation of prescription drugs.

**Highlighted Provisions:**

This bill:

- ▶ requires the Department of Health to study, with grant funding, the creation of a program for the importation of prescription drugs from Canada;
- ▶ creates a deadline for the Department of Health to report on the department's findings; and
- ▶ creates a sunset date for the provisions of this bill.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63I-1-226**, as last amended by Laws of Utah 2017, Chapters 177 and 443

ENACTS:

**26-1-41**, Utah Code Annotated 1953



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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **26-1-41** is enacted to read:

**26-1-41. Prescription drug importation study.**

(1) The department shall seek grant funding to conduct the study described in this section.

(2) If the department receives grant funding under Subsection (1), the department shall study legal and operational requirements for the state to import certain prescription drugs from Canada for eventual use by Utah consumers under the provisions of 21 U.S.C. Sec. 384.

(3) The study described in Subsection (2) shall include:

(a) a plan for operating the prescription drug importation program;

(b) a plan to ensure that prescription drugs imported into the state under the prescription drug importation program meet applicable United States federal and state standards for safety and effectiveness;

(c) examples of prescription drugs with the highest potential for consumer savings through importation at the time of the study;

(d) an estimate of the total potential consumer savings attributable to importation of prescription drugs;

(e) potential wholesalers with whom the state could contract to distribute imported prescription drugs;

(f) proposed amendments to state law to facilitate importation by the state;

(g) an analysis of potential impacts to the Medicaid program, including:

(i) the likelihood that federal matching funds will be available for imported drugs;

(ii) the likelihood that rebates will be available from manufacturers or re-labelers;

(iii) changes to the Medicaid claims payment systems and operations that may be needed to account for and pay for the imported drugs; and

(iv) estimates of the overall benefit or cost to the Medicaid program of importing prescription drugs; and

(h) in coordination with the Office of the Attorney General, proposed amendments to state law to inhibit pharmaceutical manufacturers from manipulating the pharmaceutical market in the state or adversely affecting consumer access to pharmaceuticals under the

57 prescription drug importation program.

58 (4) The department shall consult with the Utah State Board of Pharmacy,  
59 representatives of the pharmaceutical industry, patient advocates, health insurers, and others  
60 representing persons who could be affected by the prescription drug importation program in  
61 conducting the study in this section.

62 (5) (a) If the department receives grant funding under Subsection (1) before June 1,  
63 2018, the department shall submit a written report to the Health and Human Services Interim  
64 Committee before November 1, 2018, on the findings and recommendations of the study  
65 described in this section.

66 (b) If the department receives grant funding under Subsection (1) after June 1, 2018,  
67 the department shall submit a written report on the findings and recommendations of the study  
68 described in this section within six months after the day on which the department receives the  
69 grant funding to:

70 (i) the Social Services Appropriations Subcommittee, if the last day of the six month  
71 period is during the general session of the Legislature; or

72 (ii) the Health and Human Services Interim Committee, if the last day of the six month  
73 period is not during the general session of the Legislature.

74 Section 2. Section **63I-1-226** is amended to read:

75 **63I-1-226. Repeal dates, Title 26.**

76 (1) Section **26-1-40** is repealed July 1, 2019.

77 (2) Section **26-1-41** is repealed January 1, 2020.

78 ~~[(2)]~~ (3) Title 26, Chapter 9f, Utah Digital Health Service Commission Act, is repealed  
79 July 1, 2025.

80 ~~[(3)]~~ (4) Section **26-10-11** is repealed July 1, 2020.

81 ~~[(4)]~~ (5) Title 26, Chapter 33a, Utah Health Data Authority Act, is repealed July 1,  
82 2024.

83 ~~[(5)]~~ (6) Title 26, Chapter 36a, Hospital Provider Assessment Act, is repealed July 1,  
84 2019.

85 ~~[(6)]~~ (7) Title 26, Chapter 36b, Inpatient Hospital Assessment Act, is repealed July 1,  
86 2021.

87 ~~[(7) Section **26-38-2.5** is repealed July 1, 2017.]~~

88            [~~(8)~~ Section ~~26-38-2.6~~ is repealed July 1, 2017.]

89            [~~(9)~~ (8) Title 26, Chapter 56, Hemp Extract Registration Act, is repealed July 1, 2021.]