

1 A JOINT RESOLUTION directing the Cabinet for Health and Family Services to
2 create a task force to study prescription drug transparency and affordability.

3 WHEREAS, prescription drug costs and access continue to have a substantial
4 impact on state budgets; and

5 WHEREAS, consumers in the United States pay some of the highest prescription
6 drug prices in the world; and

7 WHEREAS, many states are exploring options to help lower prescription drug costs
8 such as purchasing pharmaceuticals in bulk, forming purchasing pools, and implementing
9 wholesale prescription drug importation programs; and

10 WHEREAS, during the last three years, Arizona, California, Connecticut,
11 Louisiana, Maine, Maryland, Nevada, Oregon, Tennessee, and Vermont have enacted
12 laws related to prescription drug costs and prices including the issues of transparency,
13 anti-price gouging, capping co-pays, and allowing drug makers to promote and market
14 drugs off label if the information consists of "truthful promotion" of a drug, biological
15 product or device; and

16 WHEREAS, according to a report released in February from the Cabinet for Health
17 and Family Services, two pharmacy benefit managers profited \$123.5 million last year
18 from the Medicaid program by paying pharmacies a lower rate to fill prescriptions while
19 charging the state more for the same drugs;

20 NOW, THEREFORE,

21 ***Be it resolved by the General Assembly of the Commonwealth of Kentucky:***

22 ➔Section 1. The Cabinet for Health and Family Services is directed to create the
23 Task Force on Prescription Drug Transparency and Affordability containing the following
24 members:

- 25 (1) The secretary of the Cabinet for Health and Family Services or designee;
26 (2) The commissioner of the Department for Medicaid Services or designee;
27 (3) The commissioner of the Department for Behavioral Health, Developmental and

- 1 Intellectual Disabilities or designee;
- 2 (4) The commissioner of the Department of Workers' Claims or designee;
- 3 (5) The commissioner of the Department of Employee Insurance or designee;
- 4 (6) The secretary of the Justice and Public Safety Cabinet or designee;
- 5 (7) The commissioner of the Department of Insurance; and
- 6 (8) Nine (9) members appointed by the Governor, each of whom shall represent at least
7 one of the following categories:
- 8 (a) Insurance industry;
- 9 (b) Local government;
- 10 (c) Private industry;
- 11 (d) Organizations of faith;
- 12 (e) Healthcare providers;
- 13 (f) Consumer organizations;
- 14 (g) Prescription drug manufacturers;
- 15 (h) Prescription drug wholesale distributors;
- 16 (i) Pharmacists;
- 17 (j) Business organizations;
- 18 (k) Individuals concerned about mental health or substance abuse; and
- 19 (l) Advocates for individuals struggling to afford prescription drugs.
- 20 (9) The task force shall be attached to the Cabinet for Health and Family Services for
21 administrative staffing purposes.
- 22 (10) No per diem or travel expenses shall be allowed for members of the task force.

23 ➔Section 2. The Task Force on Prescription Drug Transparency and Affordability
24 is directed to study and make recommendations for:
25 (1) How the state can best achieve prescription drug price transparency;
26 (2) New payment models or other avenues to create the most affordable environment
27 for purchasing prescription drugs;

- 1 (3) Leveraging the state's purchasing power across all state agencies, boards,
2 commissions, and any other public entities;
 - 3 (4) Creating efficiencies across different health care systems such as hospitals, the
4 criminal justice system, treatment and recovery support programs, and employer-
5 sponsored health insurance, to reduce duplicative service delivery across these
6 systems, ensure that patients receive high-quality and affordable prescription drugs,
7 and support quality care and outcomes;
 - 8 (5) Which critical outcomes can be measured and used to improve the state's system of
9 purchasing affordable prescribed drugs; and
 - 10 (6) How federal, state, and local resources are being used to optimize these outcomes
11 and identify where the resources can be better coordinated or redirected to meet the
12 needs of consumers in the state.

13 ➔Section 3. The Task Force on Prescription Drug Transparency and Affordability
14 shall meet monthly beginning in August 2020. The task force may submit initial findings
15 and recommendations prior to the 2021 Regular Session of the General Assembly. The
16 final report with the findings and recommendations of the task force shall be submitted to
17 the Governor, General Assembly, and the chair of the Interim Joint Committee on Health
18 and Welfare by August 1, 2021. After that date, the task force shall cease to exist.