

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE RESOLUTION

No. 168 Session of
2011

INTRODUCED BY ARGALL, ERICKSON, RAFFERTY, EARLL, COSTA, BAKER,
ALLOWAY, FONTANA, BROWNE, WAUGH, FERLO, YUDICHAK, BOSCOLA,
WASHINGTON AND SCHWANK, SEPTEMBER 16, 2011

REFERRED TO PUBLIC HEALTH AND WELFARE, SEPTEMBER 16, 2011

A RESOLUTION

1 Directing the Legislative Budget and Finance Committee to
2 conduct a study on the feasibility of consolidating the
3 prescription drug plans funded by the Commonwealth under a
4 single administrator.

5 WHEREAS, There are currently a number of State prescription
6 drug programs in this Commonwealth that serve distinct
7 populations and have differing administrative oversight
8 entities; and

9 WHEREAS, Legislative proposals have been introduced to
10 consolidate all of the prescription drug plans funded by the
11 Commonwealth under a single administrator; and

12 WHEREAS, The concept of a pharmacy benefits consolidation
13 program in this Commonwealth has drawn support on the basis that
14 it would potentially be more cost effective than the current
15 system, would result in additional revenues from greater drug
16 manufacturer rebates and would provide much-needed incentives to
17 pharmacists through increased reimbursements; and

18 WHEREAS, The concept of a pharmacy benefits consolidation

1 program in this Commonwealth has drawn opposition on the basis
2 that it would require a massive increase in the Commonwealth's
3 prescription drug costs, would create an unwieldy and
4 problematic administrative process, could result in a lower
5 level of care for the thousands of Pennsylvanians who rely on
6 the Commonwealth's many existing prescription drug programs for
7 their medications; therefore be it

8 RESOLVED, That the Senate direct the Legislative Budget and
9 Finance Committee, in consultation with experts and specialists
10 in the field of pharmacy benefits programs as well as
11 representatives of the various Commonwealth pharmacy benefits
12 programs, to conduct a study to examine:

13 (1) the feasibility of consolidating the prescription
14 drug plans funded by the Commonwealth under a single
15 administrator;

16 (2) the issues articulated in support of and in
17 opposition to any existing legislative proposals to
18 effectuate consolidation; and

19 (3) the experiences of other states nationwide with
20 regard to consolidation of pharmacy benefits programs;
21 and be it further

22 RESOLVED, That the study exclude any plan that is operated
23 under an employer/union direct contract with and any plan that
24 receives funds or a subsidy from the Centers for Medicare and
25 Medicaid Services of the United States Department of Health and
26 Human Services; and be it further

27 RESOLVED, That the committee prepare and submit a report,
28 with recommendations as appropriate, to the President pro
29 tempore and to members of the Aging and Youth Committee within
30 120 days of the adoption of this resolution.