INTRODUCED BY PASHINSKI, KINSEY, MILLARD, CALTAGIRONE, O'BRIEN, DRISCOLL, SCHLOSSBERG, SCHWEYER, YOUNGBLOOD, FREEMAN, V. BROWN, HENNESSEY, KORTZ, BOBACK, NEILSON, DeLUCA, HARKINS, DAWKINS, VAZQUEZ AND ROZZI, MAY 31, 2017

AN ACT

Providing for the Prescription Drug Pricing Task Force.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Short title.

This act shall be known and may be cited as the Prescription Drug Pricing Task Force Act.

Section 2. Findings.

The General Assembly finds that:

(1) Residents of this Commonwealth have experienced increasingly costly out-of-pocket expenses for prescription drugs.

(2) Rising costs for prescription drugs too frequently result in a patient's inability to pay for prescriptions and subsequently not filling their prescription, cutting pills in half or skipping doses.

(3) Despite the needed financial assistance offered by
drug manufacturers to help patients pay for prescription
drugs, many patients cannot afford the mounting costs of
prescriptions.

(4) The Commonwealth must examine ways to create
fairness and address high costs for patients.

Section 3. Prescription Drug Pricing Task Force.

(a) Establishment.--The Prescription Drug Pricing Task Force
is established to study the pricing of prescription drugs and
issue a report under this act.

(b) Composition.--The task force shall consist of the
following members, all of whom shall be residents of this
Commonwealth:

(1) One member appointed by the Governor.

(2) One member appointed by the President pro tempore of
the Senate.

(3) One member appointed by the Majority Leader of the
Senate.

(4) One member appointed by the Minority Leader of the
Senate.

(5) One member appointed by the Speaker of the House of
Representatives.

(6) One member appointed by the Majority Leader of the
House of Representatives.

(7) One member appointed by the Minority Leader of the
House of Representatives.

(8) The Insurance Commissioner or a designee.

(9) The Secretary of Health or a designee.

(10) The Secretary of Aging or a designee.

(11) The Secretary of Human Services or a designee.

(c) Appointment of members.--The following shall apply:
Each member appointed to the task force shall be knowledgeable of the issues surrounding consumer protection, health care, health care costs and health insurance and shall, to the greatest extent possible, include individuals who represent pharmacies, pharmacy benefit managers, patient advocacy groups, pharmaceutical manufacturers, health insurers or licensed health care providers.

A member of the task force may be a member of the General Assembly.

Appointments to the task force shall be made not less than 30 days after the effective date of this section. Any vacancy shall be filled by the appointing authority.

The members of the task force shall elect a member to serve as chairperson of the task force.

Expenses.--Members may not receive compensation for their service but shall be reimbursed for all necessary travel and other reasonable expenses incurred in connection with the performance of their duties as members of the task force.

Section 4. Meetings of the task force.

(a) First meeting.--The task force shall hold its first meeting within 60 days of the effective date of this section.

(b) Number of meetings.--The task force shall meet at least four times throughout the course of the year beginning on the date of the first meeting and, subject to the approval of the chairperson, may hold additional meetings whenever necessary to discharge its duties.

(c) Teleconferencing.--The task force may participate in meetings via teleconference when necessary.

(d) Call of the chairperson.--The task force shall hold meetings at the call of the chairperson.
(e) Location.--The task force shall determine the location of meetings, subject to the approval of the chairperson, which shall be within this Commonwealth.

(f) Meetings open to public.--Each meeting of the task force shall be open to the public, subject to the provisions of 65 Pa.C.S. Ch. 7 (relating to open meetings).

Section 5. Report.

(a) Issuance.--The task force shall research the pricing of prescription drugs in this Commonwealth and issue a report within one year of its first meeting.

(b) Contents.--The report shall include findings, recommendations and any suggested legislative remedies regarding the following:

   (1) Efforts to make prescription drugs more affordable.
   (2) Factors contributing to high out-of-pocket prescription drug costs to patients.
   (3) Patient treatment adherence and access to prescription drugs.
   (4) Expensive medical interventions or hospitalizations that may occur as a result of a patient's inability to afford and maintain access to prescription drugs.
   (5) Manufacturer costs for research and development, clinical trials, regulatory costs, cost of materials, manufacturing and administration.
   (6) Manufacturer annual prices for prescription drugs to purchasers inside and outside of the United States.
   (7) Profit margins and projected profit margins of drug manufacturers.
   (8) Financial assistance offered by drug manufacturers.
   (9) Further oversight, transparency and clarity
concerning the determination of prescription drug pricing.

(10) Negotiation of prescription drug costs between manufacturers and the Pennsylvania medical assistance program.

(c) Consultation.—The task force shall consult with interested parties, experts and members of the public during the process of compiling the report.

(d) Transmittal.—The report shall be transmitted to the following:

(1) The Governor.

(2) The Department of Aging of the Commonwealth.

(3) The Department of Health of the Commonwealth.

(4) The Department of Human Services of the Commonwealth.

(5) The Insurance Department of the Commonwealth.


(7) The chairperson and minority chairperson of the Aging and Youth Committee of the Senate.

(8) The chairperson and minority chairperson of the Aging and Older Adult Services Committee of the House of Representatives.

(9) The chairperson and minority chairperson of the Banking and Insurance Committee of the Senate.

(10) The chairperson and minority chairperson of the Insurance Committee of the House of Representatives.

(11) The chairperson and minority chairperson of the Health and Human Services Committee of the Senate.

(12) The chairperson and minority chairperson of the Health Committee of the House of Representatives.

(13) The chairperson and minority chairperson of the
1 Human Services Committee of the House of Representatives.
2 (14) The United States Food and Drug Administration.
3 Section 6. Effective date.
4 This act shall take effect immediately.