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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE RESOLUTION

No. 244      Session of  
1990

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INTRODUCED BY STAIRS, STUBAN, SEMMEL, GRUPPO, ARGALL, LASHINGER,  
MORRIS, WASS, NAHILL, ANGSTADT, DORR, FARMER, VAN HORNE,  
STABACK, FOX, HERMAN, FAIRCHILD, PERZEL, McVERRY, CARLSON,  
DEMPSEY, RAYMOND, E. Z. TAYLOR, TANGRETTI, HECKLER, GODSHALL,  
NOYE, ROBBINS, WOGAN, SAURMAN, MARSICO, KASUNIC, TRELLO AND  
TELEK, JANUARY 24, 1990

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REFERRED TO COMMITTEE ON RULES, JANUARY 24, 1990

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## A RESOLUTION

1 Directing the Youth and Aging and Health and Welfare Committees  
2 to jointly investigate the impact upon the PACE program and  
3 its participants of continuing to promote the utilization of  
4 generic drugs.

5 WHEREAS, The Pharmaceutical Assistance Contract for the  
6 Elderly (PACE) program benefits approximately 440,000 eligible  
7 Pennsylvania senior citizens by providing them with low-cost  
8 prescription assistance; and

9 WHEREAS, The act of June 30, 1987 (P.L.169, No.17) included  
10 six major strategies proposed by the Administration to reduce  
11 the spiraling costs of the PACE program, one strategy of which  
12 specifically requires pharmacies to stock and dispense State-  
13 approved generic drugs and requires PACE cardholders to accept  
14 these medications when the prescriber permits substitution, or  
15 pay a differential; and

16 WHEREAS, Rising prices of prescription medications are  
17 driving up the cost of the program at an average annual rate of

1 12%; and

2 WHEREAS, Generic utilization in PACE has more than doubled in  
3 two years, with current generic utilization at approximately  
4 21%; and

5 WHEREAS, Recent problems of policy, procedures and personnel  
6 associated with the generic drug approval process at the United  
7 States Food and Drug Administration have prompted investigations  
8 at the Federal level and have resulted in the Pennsylvania  
9 Department of Health issuing amendments to the State Generic  
10 Formula to withdraw certain generics from that formula; and

11 WHEREAS, Those drugs which are implicated in the recent  
12 Federal drug approval problems are generics which are commonly  
13 prescribed to treat conditions and ailments particularly  
14 affecting the elderly; therefore be it

15 RESOLVED, That the Youth and Aging Committee and the Health  
16 and Welfare Committee of the House of Representatives jointly  
17 conduct an investigation of the impact upon the PACE program and  
18 its participants of continuing to promote the utilization of  
19 generic drugs, particularly in light of recent problems with the  
20 generic drug approval process at the United States Food and Drug  
21 Administration and of the consequent withdrawal of certain  
22 generics from the State Generic Formula by the Pennsylvania  
23 Department of Health; and be it further

24 RESOLVED, That the committees may jointly hold hearings, take  
25 testimony and make their investigations at such places as would  
26 be deemed necessary in this Commonwealth and that members of the  
27 committees shall have power to administer oaths and affirmations  
28 to witnesses appearing before the committees; and be it further

29 RESOLVED, That the committees shall jointly report to the  
30 House of Representatives on their activities, findings and

1 recommendations by June 1, 1990, and that recommendations shall  
2 be made to the General Assembly and the Governor as to any  
3 changes that may be required in the PACE program in order to  
4 ensure the continued health and safety of those Pennsylvanians  
5 who participate in the program.