

1 HOUSE JOINT RESOLUTION NO. 19
2 INTRODUCED BY N. SCHWADERER

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4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
5 MONTANA REQUESTING AN INTERIM STUDY OF THE STATE'S ROLE IN DRUG PRICING PROGRAMS AND
6 THE USE OF PHARMACY BENEFIT MANAGERS.

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8 WHEREAS, spending on prescription drugs is a significant component of health care costs, with the
9 Centers for Medicare and Medicaid Services projecting that prescription drug spending in the United States is
10 expected to climb 8.8% in 2014 and be equivalent to about 10% of the projected national health expenditures for
11 that year; and

12 WHEREAS, the Legislature has an interest in determining whether state guidelines are needed for
13 maximum allowable cost drug pricing programs, which are required for certain U.S. Department of Health and
14 Human Services programs that pay for prescription drugs; and

15 WHEREAS, the Legislature similarly has an interest in how the state might best serve the interests of
16 consumers as well as pharmacies associated with large chain pharmacies, small independent businesses, and
17 mail-order businesses; and

18 WHEREAS, private and public health plans and programs address the prescription drug component of
19 health care costs in various ways, including the use of formularies and pharmacy benefit managers that have their
20 own price lists providing maximum allowable costs for certain prescription drugs.

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22 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
23 STATE OF MONTANA:

24 That the Legislative Council be requested to designate an appropriate interim committee, pursuant to
25 section 5-5-217, MCA, or direct sufficient staff resources to investigate:

- 26 (1) how maximum allowable cost pricing programs work in rural states;
27 (2) how pharmacy benefit managers develop and implement these maximum allowable cost pricing
28 programs, including the sources used for developing each list, the paperwork required for maintaining updated
29 pricing information, and the systems used for notifying pharmacies about pricing updates and maintaining product
30 integrity;

