

# SENATE BILL 1126

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CF 7lr3702

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By: **Senators Brochin and Pinsky**

Introduced and read first time: February 22, 2017

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Public Health – Generic Drugs and Medical Supplies Purchasing Cooperative**  
3 **Workgroup**

4 FOR the purpose of requiring the Secretary of Health and Mental Hygiene to convene a  
5 workgroup to study the advisability of the State forming a generic drugs and medical  
6 supplies purchasing cooperative; requiring that the workgroup include certain  
7 individuals; requiring the Secretary, or the Secretary's designee, to chair the  
8 workgroup; requiring the workgroup to study and make recommendations regarding  
9 certain matters; requiring the workgroup to report its findings and recommendations  
10 to the Governor and the General Assembly on or before a certain date; providing for  
11 the termination of this Act; and generally relating to the generic drugs and medical  
12 supplies purchasing cooperative workgroup.

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
14 That:

15 (a) The Secretary of Health and Mental Hygiene shall convene a workgroup to  
16 study the advisability of the State forming a generic drugs and medical supplies purchasing  
17 cooperative.

18 (b) The workgroup convened under subsection (a) of this section shall include:

19 (1) one member of the Senate Finance Committee, selected by the  
20 President of the Senate;

21 (2) one member of the House Health and Government Operations  
22 Committee, selected by the Speaker of the House of Delegates;

23 (3) the Attorney General, or the Attorney General's designee;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (4) the Secretary of Health and Mental Hygiene, or the Secretary's  
2 designee;

3 (5) the Secretary of Budget and Management, or the Secretary's designee;

4 (6) the Executive Director of the Health Services Cost Review Commission,  
5 or the Executive Director's designee; and

6 (7) the following individuals, selected by the Secretary of Health and  
7 Mental Hygiene:

8 (i) one representative of the Maryland Pharmacists Association;

9 (ii) one representative of the Maryland Hospital Association;

10 (iii) two representatives of hospitals located in the State;

11 (iv) one representative of MedChi, The Maryland State Medical  
12 Society;

13 (v) one representative of the general public representing health care  
14 consumers in the State;

15 (vi) two representatives of large private medical practices; and

16 (vii) any other individuals considered necessary by the Secretary.

17 (c) The Secretary of Health and Mental Hygiene, or the Secretary's designee,  
18 shall chair the workgroup.

19 (d) The workgroup shall study and make recommendations regarding the  
20 advisability of the State, along with hospitals, pharmacies, health care facilities, and  
21 private medical practices in the State:

22 (1) forming a purchasing cooperative to use the collective purchasing power  
23 of the State and all participating medical institutions and private medical practices to  
24 purchase medical supplies and drugs; and

25 (2) contracting with qualified organizations to manufacture generic drugs  
26 and medical supplies at a cost that is less than the cost for which the medical supplies and  
27 drugs can be purchased through traditional distribution channels.

28 (e) On or before January 1, 2018, the workgroup shall report its findings and  
29 recommendations to the Governor and, in accordance with § 2-1246 of the State  
30 Government Article, the General Assembly.

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
2 1, 2017. It shall remain effective for a period of 1 year and, at the end of June 30, 2018,  
3 with no further action required by the General Assembly, this Act shall be abrogated and  
4 of no further force and effect.