

SENATE, No. 1732

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Senator JOSEPH A. LAGANA

District 38 (Bergen and Passaic)

SYNOPSIS

Permits import of Canadian prescription drugs.

CURRENT VERSION OF TEXT

As introduced.



1 **AN ACT** concerning certain prescription drugs and supplementing
2 Title 24 of the Revised Statutes.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. As used in this act, “commissioner,” “department,” “drug,”
8 and “wholesale distributor” shall have the same meaning as
9 prescribed for those terms in section 5 of P.L.2005, c.206 (C.24:6B-
10 14), and “health benefits plan” shall have the same meaning as
11 prescribed for that term in section 2 of P.L.1997, c.192 (C.26:2S-2).

12
13 2. a. The commissioner, in consultation with stakeholders and
14 appropriate federal officials, shall establish a wholesale prescription
15 drug importation program that complies with the applicable
16 requirements of 21 U.S.C. s.384, and any other applicable federal
17 requirements, including the requirements regarding safety and cost
18 savings, within 120 days after the effective date of this act. The
19 program shall:

20 (1) designate one or more entities that shall either become a
21 wholesaler distributor or contract with a wholesaler distributor in
22 order to seek federal certification and approval to import safe
23 prescription drugs and provide significant prescription drug cost
24 savings to State consumers;

25 (2) use Canadian prescription drug suppliers regulated under the
26 laws of Canada, one or more Canadian provinces, or both;

27 (3) ensure that only prescription drugs meeting the U.S. Food
28 and Drug Administration’s requirements concerning prescription
29 drugs imported from Canada, including safety and effectiveness,
30 and standards; and

31 (4) import only those prescription drugs expected to generate
32 substantial savings for State consumers.

33 b. An entity designated pursuant to subsection a. of this section
34 shall:

35 (1) become a wholesale distributor or enter into a contract with
36 a wholesale distributor;

37 (2) contract with one or more licensed and regulated Canadian
38 suppliers;

39 (3) develop a registration process for health benefits plans,
40 pharmacies, and prescription drug-administering health care
41 providers who are willing to participate in the wholesale
42 prescription drug importation program;

43 (4) create a publicly available source for listing the prices of
44 imported prescription drug products that shall be made available to
45 all participating entities and consumers;

46 (5) create an outreach and marketing plan to generate program
47 awareness;

1 (6) create and staff a telephone hotline to answer questions and
2 address the needs of consumers, employers, health benefits plans,
3 pharmacies, health care providers, and other affected entities;

4 (7) establish a biennial audit performed by a third-party entity
5 that is not the department or an affiliate of the entity designated
6 pursuant to subsection a. of this section; and

7 (8) conduct any other activities that the commissioner
8 determines to be important for successful implementation of the
9 program.

10
11 3. a. Within 210 days after the effective date of this act, the
12 commissioner shall submit a formal request to the Secretary of the
13 federal Department of Health and Human Services for certification
14 of the State's wholesale prescription drug importation program.

15 b. The commissioner shall seek the appropriate federal
16 approvals, waivers, exemptions, or agreements, or a combination
17 thereof, as needed to enable as many State consumers as possible to
18 benefit from cost savings produced by the wholesale prescription
19 drug importation program.

20
21 4. This act shall take effect 30 days after the date of enactment.
22
23

24 STATEMENT

25
26 This bill permits the import of prescription drugs from Canada.

27 Under the bill, the Commissioner of Health (commissioner), in
28 consultation with interested stakeholders and appropriate federal
29 officials, is to establish a wholesale prescription drug importation
30 program (program) that complies with applicable federal
31 requirements. The program is to: (1) designate one or more entities
32 that are wholesale distributors or that contract with a wholesale
33 distributor in order to seek federal certification and approval to
34 import safe prescription drugs and provide significant prescription
35 drug cost savings to State consumers; (2) use Canadian prescription
36 drug suppliers regulated under the laws of Canada, one or more
37 Canadian provinces, or both; (3) ensure that only prescription drugs
38 meeting the U.S. Food and Drug Administration's requirements
39 concerning prescription drugs imported from Canada, including
40 safety and effectiveness; and (4) import only those prescription
41 drugs expected to generate substantial savings for State consumers.

42 Any entity designated pursuant to the bill's provisions is to: (1)
43 become a wholesale distributor or enter into a contract with a
44 wholesale distributor; (2) contract with one or more licensed and
45 regulated Canadian suppliers; (3) develop a registration process for
46 health benefits plans, pharmacies, and prescription drug-
47 administering health care providers who are willing to participate in
48 the wholesale prescription drug importation program; (4) create a

1 publicly available source for listing the prices of imported
2 prescription drug products that shall be made available to all
3 participating entities and consumers; (5) create an outreach and
4 marketing plan to generate program awareness; (6) create and staff
5 a telephone hotline to answer questions and address the needs of
6 consumers, employers, health benefits plans, pharmacies, health
7 care providers, and other affected sectors; (7) establish a biennial
8 audit to be performed by a third-party that is not the department or
9 an affiliate of any designated entity; and (8) conduct any other
10 activities that the commissioner determines to be important for
11 successful implementation of the program.