

Selected California Bills  
October 2005

Medpin has identified and summarized some California bills relating to medication access and pricing. For further information on a bill, its status, committee analyses, and previous versions, visit <http://www.leginfo.ca.gov>.

**APPROVED BY LEGISLATURE & GOVERNOR**

**AB 8 (Chu) Medi-Cal AIDS and Cancer Treatment Drugs**

An urgency measure that deletes the repeal of an existing requirement that pharmaceutical manufacturers provide a rebate for AIDS and cancer treatment drugs added to the Medi-Cal contract drug list.

**AB 77 (Frommer) Medi-Cal Family PACT Reimbursement**

This is a follow-up to last year's AB 2151 regarding Medi-Cal and Family PACT reimbursement for pharmaceuticals dispensed by community and free clinics

**AB 497 (Negrete McLeod) Licensure for Drug Wholesalers and Manufacturers**

Makes changes in the licensing fee and surety bond requirements for certain nonresident wholesalers.

**AB 522 (Plescia) Automated Drug Delivery System; Erectile Dysfunction Drugs**

Clarifies existing law regarding use of an automated drug delivery system to store and distribute drugs in a nursing home. Also prevents Medi-Cal reimbursement for erectile dysfunction drugs prescribed to a registered sex offender, except as required by federal law.

**AB 587 (Negrete McLeod) Public Employee Health Benefits**

In order to receive the maximum federal subsidy, this bill requires CalPERS health program participants eligible for Medicare Part D coverage to enroll only in a CalPERS health plan.

**AB 1359 (Chan) Prescription Drug Plans**

Requires that a sponsor of a Medicare Part D prescription drug plan operated in California be licensed by the California Department of Managed Health Care or Department of Insurance.

**SB 375 (Speier) Medicare Supplemental Coverage**

Makes changes to requirements for Medicare supplement coverage, corresponding to provisions of the Medicare Modernization Act of 2003.

**SB 644 (Ortiz) Health Care Professional Declining to Dispense**

Specifies procedures for a health care licentiate to decline to dispense a prescription drug or device, including a requirement that the patient have timely access to the prescribed drug despite a refusal based on ethical or religious grounds.

**SB 708 (Speier) Nonprofit Hospitals Using 340B Discounts**

Requires any nonprofit hospital participating in the Public Health Service/340B federal drug discount program to sign a standard agreement, developed by the state health department, that includes the hospital's agreement to continue its historic commitment to charity care.

**SB 798 (Simitian) Unused Medications for People Needing Financial Assistance**

Specifies requirements for a county that chooses to establish a program for distributing surplus unused medications to persons in need of financial assistance. Requires such a program to include specified definitions and patient protections.

**APPROVED BY LEGISLATURE; VETOED BY GOVERNOR**

**AB 73 (Frommer) California Rx Website and General Services Purchasing**

Establishes the California Rx Prescription Drug Web Site Program to provide information, including price comparisons, to California residents about options for obtaining prescription drugs at affordable prices through governmental pharmaceutical programs, and pharmacies located in Canada, the United Kingdom, and Ireland. STATUS: Vetoed September 29.

**AB 76 (Frommer) Centralized Office of Pharmaceutical Purchasing**

Creates the state Office of Pharmaceutical Purchasing, to be the purchasing agent for prescription drugs for the departments of Corrections, Mental Health, Developmental Services, and California State University. Other public entities may participate in the coordinated purchasing program. States legislative intent that the new office, the University of California, and the Public Employees' Retirement System regularly meet to identify and implement opportunities for cost savings in connection with this procurement, to identify consolidated purchasing opportunities, and participate in at least one independent group that develops information on prescription drugs' relative effectiveness. STATUS: Vetoed October 7.

**AB 78 (Pavley) Pharmacy Benefits Management**

Defines "pharmacy benefits management" and requires pharmacy benefits managers to make specified financial disclosures to its purchasers, if they agree to maintain confidentiality of the information. STATUS: Vetoed September 29.

**SB 18 (Ortiz) Stem Cell Research**

Regarding the California Institute for Regenerative Medicine, requires certain economic disclosures and open meeting requirements of the Independent Citizen's Oversight Committee (ICOC). Requires that arrangements entered into by a state entity for biomedical research not result in a gift of public funds, and that the state be provided a share of revenues derived from the development of clinical treatments, products, or services resulting from the entity's research. State Auditor will report to the Legislature by March 2006. STATUS: Vetoed September 29.

**SB 616 (Speier) Veteran Parolees and Inmate Drug Costs**

Requires the Department of Corrections to work with the San Francisco Veteran's Administration to better treat parolees who are military veterans. Also requires the Department to make various efforts to reduce drug costs, consistent with inmates' medical needs, including use of the least expensive prescription drug products available. STATUS: Vetoed October 6.

**HELD IN LEGISLATURE; SIMILAR TO BALLOT INITIATIVE INCLUDED IN NOVEMBER SPECIAL ELECTION**

**AB 75 (Frommer) California Rx Plus State Pharmacy Assistance Program**

STATUS: Held in Senate Health Committee. For a discussion of the similarities and differences between AB 75 and Proposition 79, see Appendix B of *The California Debate: Competing Drug Discount Programs for Millions of Residents* ([www.medpin.org](http://www.medpin.org)).

**SB 19 (Ortiz) California Rx Program**

This bill was the vehicle for the Governor's Cal Rx proposal he announced January 2005 and described in a special Sacramento Bee article authored by California Health and Human Services Agency Secretary Kim Belshe, February 14, 2005. STATUS: Held in Senate Health Committee. For a discussion of the similarities and differences between SB 19 and Proposition 78, see Appendix B of *The California Debate: Competing Drug Discount Programs for Millions of Residents* ([www.medpin.org](http://www.medpin.org)).

*Medpin works with safety net providers to improve access to medicine and pharmaceutical care for people in need.*

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