

**HB1194/176889/1**

BY: Health and Government Operations Committee

AMENDMENTS TO HOUSE BILL 1194

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and P. Young” and substitute “P. Young, Pendergrass, Bromwell, Kipke, Krebs, Metzgar, Miele, Morgan, Saab, Szeliga, and West”; in line 2, strike “Review”; in line 3, strike “Review”; strike beginning with “requiring” in line 5 down through “salary;” in line 9 and substitute “requiring the Commission to create a certain advisory council; providing for the staffing of the Commission;”; strike beginning with “and” in line 11 down through “exceptions” in line 12 and substitute “with a certain exception”; strike beginning with “requiring” in line 16 down through “session;” in line 17.

On pages 1 and 2, strike beginning with “requiring” in line 18 on page 1 down through “circumstances;” in line 10 on page 2.

On page 2, strike beginning with “Advisory” in line 10 down through “Board” in line 11 and substitute “advisory council”; strike beginning with “requiring” in line 12 down through “severable;” in line 36 and substitute “requiring the Commission to access certain information to the extent practicable and feasible; authorizing the Commission to access certain information by entering into certain agreements to the extent feasible and practicable; prohibiting the Commission from publicly disclosing certain information; requiring that certain information obtained by the Commission be considered confidential commercial information; prohibiting certain information from being released by the Commission in certain manners; providing for the duties of the Commission; requiring the Commission to submit certain reports to certain committees of the General Assembly on or before certain dates; providing for the termination of this Act;”; and in line 36, strike “Review”.

AMENDMENT NO. 2

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On pages 2 and 3, strike beginning with line 37 on page 2 through line 19 on page 3.

On page 3, in line 21, strike “the Laws of Maryland read as follows”; and after line 21, insert:

“(a) There is a Drug Cost Commission.

(b) The purpose of the Commission is to determine how to make prescription drugs more affordable for State residents, State and local government, commercial health plans, health care providers, pharmacies licensed in the State, and other stakeholders within the health care system.

(c) The Commission shall consist of the following members:

(1) one member appointed by the Governor;

(2) one member appointed by the President of the Senate;

(3) one member appointed by the Speaker of the House of Delegates;

(4) one member appointed by the Attorney General; and

(5) one member appointed jointly by the President of the Senate and the Speaker of the House of Delegates, who shall serve as chair of the Commission.

(d) The Commission shall create an advisory council consisting of:

(1) representatives of the prescription drug supply chain, including representatives of the pharmaceutical industry and the generic drug industry;

(2) consumer advocates; and

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- (3) other representatives as considered necessary by the Commission.
- (e) A majority of the members of the Commission constitutes a quorum.
- (f) The Department of Legislative Services, in consultation with the Office of the Attorney General, shall provide staff for the Commission.
- (g) A member of the Commission:

  - (1) may not receive compensation as a member of the Commission; but
  - (2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

- (h) (1) (i) Except as provided in subparagraph (ii) of this paragraph, the Commission shall meet in open session.

  - (ii) The Commission may meet in closed session when discussing nonpublic pricing information.
- (2) Public notice of each Commission meeting shall be provided at least 2 weeks in advance of the meeting.
- (3) Materials for each open Commission meeting shall be made available to the public at least 1 week in advance of the meeting.
- (4) The Commission shall provide an opportunity for public comment at each open meeting of the Commission.
- (5) The Commission shall provide the public with the opportunity to provide written comments on pending decisions of the Commission.

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(6) The Commission may allow expert testimony at Commission meetings.

(i) Members of the Commission, members of the advisory council, Commission staff, and third-party contractors may not accept any gift or donation of services or property that indicates a potential conflict of interest or has the appearance of biasing the work of the Commission.

(j) (1) To the extent feasible and practicable, for brand name and generic drugs, the Commission shall access drug pricing justification information that is available to the public from manufacturers, wholesalers, pharmacy benefits managers, insurance carriers, and pharmacies, including any rebates offered on the drugs.

(2) To the extent feasible and practicable, the Commission may access public and nonpublic prescription drug pricing information by entering into a memorandum of understanding with another state.

(3) (i) The Commission may not publicly disclose proprietary information.

(ii) Proprietary information obtained by the Commission under this section shall be considered confidential commercial information, including for purposes of § 4-335 of the General Provisions Article.

(iii) Proprietary information may not be released by the Commission in any manner that:

1. allows for the identification of:

A. an individual drug;

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B. a manufacturer; or

C. another entity from which proprietary information was obtained; or

2. is likely to compromise the financial, competitive, or proprietary nature of the information.

(k) The Commission shall:

(1) review, evaluate, and assess the pharmaceutical distribution and payment system in the State;

(2) assess and collect publicly available information from brand and generic biopharmaceutical manufacturers, health insurers, pharmaceutical wholesalers, and pharmacy benefits managers; and

(3) compare the prices for prescription drugs in the United States and in other countries.

(l) On or before January 1, 2019, and each January 1 thereafter, the Commission, in consultation with stakeholders, shall submit a report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2-1246 of the State Government Article, on:

(1) findings related to the prescription drug pricing information accessed by the Commission;

(2) recommendations on how entities within the prescription drug supply chain can improve access to affordable prescription drugs by State residents; and

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(3) findings related to the price of prescription drugs in the United States as compared to other countries and recommendations on how to make the prices of drugs in the United States comparable to the price of drugs in other countries.”.

On pages 3 through 16, strike in their entirety the lines beginning with line 22 on page 3 through line 12 on page 16, inclusive.

On page 16, in line 13, strike “5.” and substitute “2.”; and in line 14, strike “October 1, 2018” and substitute “June 1, 2018. It shall remain effective for a period of 3 years and 1 month and, at the end of June 30, 2021, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect”.