

# FINAL BILL REPORT

## ESSB 5470

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Synopsis as Enacted

**Brief Description:** Allowing the importation of certain prescription drugs from nondomestic wholesalers.

**Sponsors:** Senate Committee on Health & Long-Term Care (originally sponsored by Senators Franklin, Thibaudeau, Keiser, Kline, Poulsen, Berkey, Haugen, McAuliffe, Rockefeller, Shin and Kohl-Welles; by request of Governor Gregoire).

**Senate Committee on Health & Long-Term Care**

**House Committee on Health Care**

**House Committee on Appropriations**

**Background:** The combination of Canadian price controls and a favorable exchange rate between Canadian and United States currencies has created prescription drug prices in Canada that are between 30 and 80 percent less expensive than in the United States.

The Department of Health currently licenses pharmacies located in Washington state, and out-of-state pharmacies that provide services to Washington residents. The Department maintains reciprocal licensing agreements with other State's pharmacy licensing authorities.

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) authorizes the Secretary of Health and Human Services to allow for the importation of Food and Drug Administration approved medicines from Canada by United States-licensed pharmacists and drug wholesalers for commercial re-sale. Drug importation becomes effective only if the Secretary is able to certify that implementing the program will pose no additional risk to public health and safety and result in a significant reduction in cost to consumers.

**Summary:** The Board of Pharmacy is required, no later than September 1, 2005, to submit a request to the federal Food and Drug Administration authorizing Washington to license Canadian, Irish, United Kingdom, and other nondomestic prescription drug wholesalers.

Savings associated with purchasing prescription drugs from Canadian, United Kingdom, Irish, and other nondomestic wholesalers is passed on to consumers.

Prescription drug purchases from pharmacies under the request is limited to those not eligible for reimbursement by third party insurance coverage, whether public or private.

Prescription drugs purchased from Canadian, United Kingdom, Irish, and other nondomestic wholesalers is limited to those that are not temperature sensitive or infused.

Upon approval of the federal waiver, the Board of Pharmacy is required to submit an implementation plan to the Governor and appropriate committees of the legislature.

**Votes on Final Passage:**

Senate	40	6	
House	76	19	(House amended)
Senate	40	5	(Senate concurred)

**Effective:** July 24, 2005