SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 312

(SENATE AUTHORS: SENJEM)

DATE	D-PG	OFFICIAL STATUS
01/25/2021	158	Introduction and first reading Referred to Health and Human Services Finance and Policy

A bill for an act

relating to health care; designing a wholesale drug importation program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **WHOLESALE IMPORTATION PROGRAM FOR PRESCRIPTION DRUGS.**

Subdivision 1. **Program design.** The commissioner of health in consultation with the commissioners of human services and commerce, interested stakeholders, and federal officials shall design a wholesale prescription drug importation program that complies with the requirements of United States Code, title 21, section 384, including safety and cost savings requirements. The program design shall:

(1) designate a state agency that shall either become a licensed drug wholesaler or contract with a licensed drug wholesaler in order to seek federal certification and approval to import safe prescription drugs that will provide significant cost savings to Minnesota consumers;

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

(3) ensure that only prescription drugs meeting United States Food and Drug Administration safety, effectiveness, and other standards shall be imported by or on behalf of the state;

(4) import only those prescription drugs expected to generate substantial savings for Minnesota consumers;

(5) comply with the tracking and tracing requirements of United States Code, title 21, sections 360eee and 360eee-1, to the extent feasible and practical prior to imported drugs coming into the possession of the state wholesaler and comply fully after imported drugs are in the possession of the state wholesaler;

(6) prohibit the distribution, dispensing, or sale of imported drug products outside Minnesota;

(7) recommend a charge per prescription or another method of financial support to ensure that the program is funded adequately in a manner that does not jeopardize significant consumer savings;

(8) include thorough audit functions; and

(9) develop provisions to identify and monitor the potential for anticompetitive behavior in industries that would be affected by a wholesale prescription drug importation program.

Subd. 2. **Report.** On or before January 1, 2022, the commissioner of health shall submit the program design and recommendations for a wholesale prescription drug importation program to the legislative committees with jurisdiction over health care policy and finance.

Subd. 3. **Federal compliance.** (a) Upon adoption of legislation establishing the wholesale importation program for prescription drugs, the commissioner shall submit a formal request to the secretary of the United States Department of Health and Human Services for certification of the state's wholesale prescription drug importation program.

(b) The commissioner of health shall seek the appropriate federal approvals, waivers, exemptions, or agreements needed to enable all covered entities enrolled in or eligible for the federal 340B Drug Pricing Program to participate in the state's wholesale prescription drug importation program to the fullest extent possible without jeopardizing their eligibility for the 340B Drug Pricing Program.