



HOUSE BILL 1108: PED/Inmate Pharmacy Purchasing/Monitoring.

2017-2018 General Assembly

Committee:	Senate Health Care. If favorable, re-refer to Rules and Operations of the Senate	Date:	December 4, 2018
Introduced by:	Reps. Horn, Davis	Prepared by:	Jason Moran-Bates Staff Attorney
Analysis of:	Second Edition		

OVERVIEW: *The Joint Legislative Program Evaluation Oversight Committee directed the Program Evaluation Division to examine the efficiency and economy of inmate healthcare. This bill focuses on pharmaceutical-related expenditures for inmates, which totaled \$72.7 million in Fiscal Year 2016–17, an 88% (\$33.9 million) increase from five years ago.*

Section 1: Directs the Legislative Services Commission to contract with an expert in the HRSA 340B program to develop an HRSA-compliant program for purchasing medications for the treatment of HIV/AIDS, hepatitis C, cancer, neurological conditions, rheumatic diseases, and other costly medical conditions through a Disproportionate Share Hospital. Section 1 also allocates \$25,000 of the funds appropriated to the General Assembly Legislative Services Office to provide for the costs associated with funding the contract.

Section 2: Directs DPS Health Services to revise its medication administration protocol to require supplies of certain medications worth more than \$1,000 to be designated as Direct Observation Therapy. DPS Health Services is to report to the Joint Legislative Oversight Committee on Justice and Public Safety on this change in policy.

Section 3: Directs DPS to collect additional data on medications lost during the inmate transfer process, establish internal oversight, controls, and audit activities to limit such losses, and report to the Joint Legislative Oversight Committee on Justice and Public Safety.

Section 4: Directs DPS Health Services to develop a statewide reimbursement, based on the North Carolina State Health Plan for Teachers and State Employees reimbursement rate, for local purchasing of limited quantities of medications and develop a data collection and oversight mechanism to ensure adherence to the short-supply policy for local medication purchases. DPS Health Services is to report to the Joint Legislative Oversight Committee on Justice and Public Safety on efforts to award this contract.

EFFECTIVE DATE: This act is effective when it becomes law.

Kory Goldsmith of Legislative Drafting substantially contributed to this summary.

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