

SENATE, No. 649

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 5, 1996

By Senator LaROSSA

1 AN ACT concerning the purchase of prescription drugs for use at  
2 certain State facilities and supplementing Title 30 of the Revised  
3 Statutes.

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5 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
6 *of New Jersey:*

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8 1. The Commissioner of Human Services shall contract with one  
9 or more manufacturers of prescription drug products, as necessary, to  
10 purchase prescription drugs for use at State facilities and institutions  
11 designated by the commissioner.

12 To the extent possible, the commissioner shall contract for  
13 prescription drug products in unit dose form. Such prescription drug  
14 products may be delivered directly to State facilities and institutions  
15 or to a vendor designated by the commissioner. If a prescription drug  
16 product is not available in unit dose form, the commissioner shall  
17 contract with the manufacturer to purchase the drug product in bulk  
18 form and shall require that the drug product be delivered to a vendor  
19 designated by the commissioner to be repackaged into unit dose form  
20 for use at the designated State facilities and institutions.

21 The commissioner, with the approval of the Division of Purchase  
22 and Property in the Department of the Treasury, may utilize any  
23 existing State contract for the purchase of prescription drug products  
24 to carry out the purposes of this act.

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26 2. This act shall take effect one year after the date of enactment,  
27 however, prior to the effective date, the department may take such  
28 actions as may be necessary to effectuate the purposes of this act.

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STATEMENT

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33 This bill directs the Commissioner of Human Services to purchase  
34 prescription drugs for use at designated State facilities and institutions  
35 directly from the manufacturer. By directly purchasing prescription  
36 drugs, the department should realize significant savings when  
37 compared to the current method of providing prescription drugs to

1 patients at certain State facilities. Currently, the department contracts  
2 with a vendor who purchases prescription drugs from a manufacturer  
3 or distributor and may add a mark-up to his price, and then repackages  
4 the drugs into a unit dose form which is distributed to State facilities  
5 and institutions.

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10 Requires DHS to directly purchase prescription drugs from  
11 manufacturers or distributors for use at certain State facilities.