

**A JOINT MEMORIAL**

**REQUESTING THE MEDICAL ASSISTANCE DIVISION OF THE HUMAN SERVICES DEPARTMENT AND OTHERS TO IDENTIFY ALL AVENUES TO MAXIMIZE PRESCRIPTION DRUG DISCOUNTS THAT MAY BE ACHIEVED BY USING THE FEDERAL 340B PROGRAM**

**WHEREAS, the federal 340B program provides discounts on outpatient drugs to certain covered entities; and**

**WHEREAS, the federal 340B program provides access to these discounts to more than eight thousand health care facilities in the nation that are certified as covered entities by the United States department of health and human services; and**

**WHEREAS, more than one hundred fifty entities in New Mexico are already participating in this valuable discount program; and**

**WHEREAS, the 340B program makes pharmaceuticals more affordable with reported real savings of twenty-five to fifty percent off the regular high prices; and**

**WHEREAS, under this federal program it may be possible to achieve even greater discounts than are currently being achieved by the medicaid program; and**

**WHEREAS, there is a significant number of safety net providers in the state that qualify as covered entities, but that are not participating in the 340B program; and**

WHEREAS, expansion of the 340B program to more covered entities will result in cheaper prescription drugs for many people being served by these covered entities who otherwise have no or limited access to discounted prescription drug prices; and

WHEREAS, it is also possible that expansion of the 340B program to medicaid could result in substantial savings in medicaid;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO that the medical assistance division of the human services department be requested to lead an interagency group, including the department of health, the state agency on aging and appropriate private health care organizations, to explore all avenues to maximize prescription drug discounts that may be achieved by using the federal 340B program; and

BE IT FURTHER RESOLVED that the human services department give special attention to the possibility of converting the current rebate program when purchasing pharmaceutical drugs for the medicaid fee-for-service population to the 340B program; and

BE IT FURTHER RESOLVED that this group report its findings and progress to the interim legislative health and human services committee at its October 2002 meeting; and

BE IT FURTHER RESOLVED that a copy of this memorial be

sent to the medical assistance division of the human  
services department, the department of health, the state  
agency on aging and the interim legislative health and human  
services committee.

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