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HB 319

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Sponsor Statement

Currently wholesale companies of drugs and medical devices that are outside the state of Alaska are not required to be licensed with the State creating an unfair disadvantage to our local businesses. This bill will level the playing field by requiring these out of state wholesalers to be licensed as those are in the state. Additionally, with the potential for the counter fitting of products by rogue companies, this legislation will help insure Alaskans receive quality products.

It also adds verbiage which would include "pharmacy or pharmacist" as a "provider" under section 6 (d) which defines those occupations in which unfair discrimination is prohibited against a person who provides a service within the scope of the providers occupational license.

This bill would also require the State of Alaska to pay for and/or reimburse compounded prescription within the same scope and manner as manufactured prescriptions.

Pharmacy compounding is the creation of a particular pharmaceutical product to fit the unique need of a patient. To do this, compounding pharmacists combine or process appropriate ingredients using various tools. This is done for medically necessary reasons, such as to change the form of the medication from a solid pill to a liquid, to avoid a non-essential ingredient that the patient is allergic to, or to obtain the exact dose(s) needed or deemed best of particular active pharmaceutical ingredient(s).

Currently, a compound prescription that contains at least one legend (RX only) drug is generally covered by most insurance plans. However, the compounding pharmacy may only be reimbursed for the legend drug(s) in the compounded prescription, not the other ingredients used or for the time it took to make the compound. (This may mean that the pharmacy is unable to make up the medication per the designed formula and/or unable to dispense the intended product to the patient.) This will negatively impact our local businesses, in-fact it could put many out of business. Alaskans deserve to have coverage of compounded medications for potentially life-saving indications as well as for quality of life.

Many of these drugs were previously covered, now the customer must bear the cost anywhere from as little as \$80.00 to as much as \$800.00 depending on the compound.