

HOUSE BILL NO. 455

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE GUTTENBERG

Introduced: 2/13/06

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring the use of generic drugs except in certain circumstances; and**
2 **authorizing specified terms on a prescription."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 *** Section 1.** AS 08.02 is amended by adding a new section to read:

5 **Sec. 08.02.055. Prescription forms.** A dentist licensed under AS 08.36, a
6 physician licensed under AS 08.64, a nurse licensed under 08.68, and an optometrist
7 licensed under AS 08.72 who prescribe medication for a patient may use a written
8 prescription form containing a box in the lower right-hand corner of the prescription
9 form with the following words appearing to the left of the box: "A drug that is the
10 generic and therapeutic equivalent of the drug specified above in this prescription
11 must be dispensed if a check mark is not made in this box and if the drug has been
12 approved by the Department of Health and Social Services as a more cost-effective
13 alternative."

14 *** Sec. 2.** AS 08.80.294(a) is amended to read:

1 (a) In addition to other information that may be required under state or federal
 2 laws or regulations, a pharmacist, when dispensing a [BRAND-NAME] prescription
 3 drug order, shall include the generic drug name that is an equivalent drug product for
 4 the drug dispensed **and the name or abbreviation of the generic drug**
 5 **manufacturer or distributor.**

6 * **Sec. 3.** AS 08.80.295(a) is amended to read:

7 (a) Unless the prescription indicates that it is to be dispensed only as written,
 8 the pharmacist **shall** [MAY, WITH THE CONSENT OF THE PATIENT,] substitute
 9 an equivalent drug product **that has been approved by the Department of Health**
 10 **and Social Services as a more cost-effective alternative than the drug prescribed.**

11 * **Sec. 4.** AS 08.80.295 is amended by adding a new subsection to read:

12 (c) This section does not apply to a prescription ordered by a practitioner for a
 13 patient in a hospital when that prescription is filled by a hospital pharmacy or in a
 14 facility that has adopted a formulary system.

15 * **Sec. 5.** AS 17.20.105(b) is amended to read:

16 (b) **Except for a prescription filled in a hospital or other institution that**
 17 **has established a formulary system, in** [IN] preparing a prescription, a pharmacist
 18 **shall** [MAY NOT] substitute a **generic and therapeutically equivalent drug that**
 19 **has been approved by the Department of Health and Social Services as a more**
 20 **cost-effective alternative** drug for a registered brand or trade name product specified
 21 unless [THE PHARMACIST OBTAINS PERMISSION FROM] the author of the
 22 prescription **indicates that the prescription is to be dispensed only as written** [
 23 BUT IF THE PRESCRIBING PHYSICIAN, OSTEOPATHIC PHYSICIAN,
 24 DENTIST, OR VETERINARIAN IS TEMPORARILY UNAVAILABLE, THE
 25 PHARMACIST MAY, IF UNABLE TO SUPPLY THE DRUG REQUESTED,
 26 SUBSTITUTE A DRUG OR PREPARATION OF APPROXIMATELY EQUAL
 27 THERAPEUTIC VALUE SO LONG AS THE PHARMACIST NOTIFIES THE
 28 AUTHOR OF THE PRESCRIPTION AT AN EARLY OPPORTUNITY].

29 * **Sec. 6.** AS 17.20 is amended by adding a new section to read:

30 **Sec. 17.20.125. Approval of cost-effective alternative prescription drug.**

31 The department shall approve and maintain a publicly available list of prescription

1 drugs that the department determines, after investigation, to be more cost-effective
2 generic and therapeutically equivalent drugs to the brand-name equivalent drug.