

Senate Resolution 927

By: Senators Hatchett of the 50th, Tillery of the 19th, Strickland of the 42nd, Robertson of the 29th, Goodman of the 8th and others

A RESOLUTION

1 Creating the Senate Pharmacy Benefits Managers and Consumer Access to Prescription
2 Medications Study Committee; and for other purposes.

3 WHEREAS, according to the United States Office of Health Policy, the cost of prescription
4 drugs has increased at rates exceeding the rate of inflation each year since 2016; and

5 WHEREAS, pharmacy benefits managers administer prescription drug insurance benefits,
6 negotiate with drug manufacturers and pharmacies, and establish drug formularies and
7 pharmacy networks; and

8 WHEREAS, pharmacy benefits managers undertake practices that have been criticized and
9 investigated by industry stakeholders, including health policy experts, state attorneys general,
10 and the Federal Trade Commission; and

11 WHEREAS, such policies include leveraging vertical integration to steer patients to
12 pharmacy benefits manager affiliate pharmacies, marking up the cost of medications at
13 pharmacy benefits manager owned pharmacies, manipulating pharmacy reimbursement rates,
14 and engaging in other unfair practices that harm patients, retail pharmacies, payers, and
15 employers; and

16 WHEREAS, in 2019, Georgia passed the first pharmacy benefits manager steering laws in
17 the nation but many believe that pharmacy benefits managers continue to steer patients to
18 pharmacy benefits manager affiliate pharmacies within this state; and

19 WHEREAS, Georgia law requires that pharmacy benefits managers publicly report drug
20 prices that are greater than 10 percent over the national average drug acquisition costs and
21 such reports have revealed markups for some medications for commercial and government
22 payers and markups of thousands of percent above the national average drug acquisition
23 costs for medications used to treat multiple sclerosis, cancer, and kidney disease, among
24 other medications; and

25 WHEREAS, a recent study by the Georgia Center for Rural Prosperity and Innovation at
26 Abraham Baldwin Agricultural College indicates that pharmacy benefits manager practices
27 pose risks to patients and independent pharmacies, including increasing the number of
28 counties in Georgia without a single pharmacy.

29 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE:

30 (1) **Creation of Senate study committee.** There is created the Senate Pharmacy
31 Benefits Managers and Consumer Access to Prescription Medications Study Committee.

32 (2) **Members and officers.** The committee shall be composed of the following
33 members:

34 (A) The chairperson of the Senate Appropriations Committee;

35 (B) The chairperson of the Senate Health and Human Services Committee;

36 (C) Three other members of the Senate or experts on pharmacy benefits managers or
37 consumer access to prescription medication to be appointed by the President of the
38 Senate; and

39 (D) The President of the Senate shall designate a member of the committee as
40 chairperson of the committee.

41 (3) **Powers and duties.** The committee shall undertake a study of the conditions, needs,
42 issues, and problems mentioned above or related thereto and recommend any action or
43 legislation which the committee deems necessary or appropriate.

44 (4) **Meetings.** The chairperson shall call all meetings of the committee. The committee
45 may conduct such meetings at such places and at such times as it may deem necessary or
46 convenient to enable it to exercise fully and effectively its powers, perform its duties, and
47 accomplish the objectives and purposes of this resolution.

48 (5) **Allowances, expenses, and funding.**

49 (A) The legislative members of the committee shall receive the allowances provided
50 for in Code Section 28-1-8 of the Official Code of Georgia Annotated.

51 (B) Members of the committee who are state officials, other than legislative members,
52 or state employees shall receive no compensation for their services on the committee,
53 but they may be reimbursed for expenses incurred by them in the performance of their
54 duties as members of the committee in the same manner as they are reimbursed for
55 expenses in their capacities as state officials or employees.

56 (C) Members of the committee who are not legislators, state officials, or state
57 employees shall receive a daily expense allowance in an amount the same as that
58 specified in subsection (b) of Code Section 45-7-21 of the Official Code of Georgia
59 Annotated, as well as the mileage or transportation allowance authorized for state
60 employees.

61 (D) The allowances authorized by this resolution shall not be received by any member
62 of the committee for more than five days unless additional days are authorized. Funds
63 necessary to carry out the provisions of this resolution shall come from funds
64 appropriated to the Senate; except that funds for the reimbursement of the expenses of
65 state officials, other than legislative members, and for the reimbursement of the

66 expenses of state employees shall come from funds appropriated to or otherwise
67 available to their respective agencies.

68 **(6) Report.**

69 (A) In the event the committee adopts any specific findings or recommendations that
70 include suggestions for proposed legislation, the chairperson shall file a report of the
71 same prior to the date of abolishment specified in this resolution, subject to
72 subparagraph (C) of this paragraph.

73 (B) In the event the committee adopts a report that does not include suggestions for
74 proposed legislation, the chairperson shall file the report, subject to subparagraph (C)
75 of this paragraph.

76 (C) No report shall be filed unless the same has been approved prior to the date of
77 abolishment specified in this resolution by majority vote of a quorum of the committee.
78 A report so approved shall be signed by the chairperson of the committee and filed with
79 the Secretary of the Senate.

80 (D) In the absence of an approved report, the chairperson may file with the Secretary
81 of the Senate a copy of the minutes of the meetings of the committee in lieu thereof.

82 **(7) Abolishment.** The committee shall stand abolished on December 1, 2026.