

## Senate Bill No. 1426

### CHAPTER 383

An act to add Section 5024.5 to the Penal Code, relating to correctional facilities.

[Approved by Governor August 27, 2004. Filed with Secretary of State August 30, 2004.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1426, Ducheny. Department of Corrections: drug utilization.

Existing law authorizes the Department of Corrections to adopt regulations requiring manufacturers of drugs to pay the department a rebate for the purchase of drugs for offenders in state custody and to implement other cost-effective strategies for the procurement of drugs and medical supplies for offenders in state custody, as specified.

This bill would require the department to adopt policies, procedures, and criteria to identify selected medication categories for the development of utilization protocols based on best practices, and the use of generic and therapeutic substitutes, as appropriate, and to develop utilization and treatment protocols based on, among other criteria, the cost of medications, in coordination with the Department of General Services' prescription drug bulk purchasing program. The bill would require the department to report as part of the fiscal committee budget hearings on or before April 1, 2006, on the impact of the adoption of these policies and procedures. The bill would state that it is the intent of the Legislature that the department complete the implementation of these provisions utilizing the existing resources of the department.

*The people of the State of California do enact as follows:*

SECTION 1. Section 5024.5 is added to the Penal Code, to read:

5024.5. (a) The Department of Corrections shall adopt policies, procedures, and criteria to identify selected medication categories for the development of utilization protocols based on best practices, and the use of generic and therapeutic substitutes, as appropriate.

(b) The department shall develop utilization and treatment protocols for select medication categories based on defined priority criteria, including, but not limited to, the cost of the medications.

(c) On or before April 1, 2006, the department shall provide information, as part of the fiscal committee budget hearings for the 2006–07 budget year, on the impact of the adoption of these protocols.



(d) The department shall coordinate the implementation of this section with the Department of General Services' prescription drug bulk purchasing program pursuant to Chapter 12 (commencing with Section 14977) of Part 5.5 of Division 3 of Title 2 of the Government Code, in order to better achieve the goals and intent of that program.

(e) It is the intent of the Legislature that the department shall complete the implementation of this section utilizing the existing resources of the department.

