

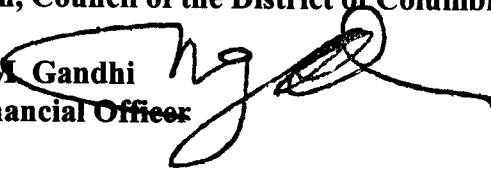
**Government of the District of Columbia
Office of the Chief Financial Officer**



Natwar M. Gandhi
Chief Financial Officer

MEMORANDUM

TO: The Honorable Vincent C. Gray
Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi 
Chief Financial Officer

DATE: MAY 26 2009

SUBJECT: Fiscal Impact Statement: "Prescription Drug Dispensing Practices Reform Act of 2009"

REFERENCE: Bill 18-240, As Introduced

Conclusion

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation.

Background

The proposed bill would amend the District of Columbia Prescription Drug Price Information Act ("Act")¹ to permit a pharmacist, when receiving a prescription, to dispense a therapeutically equivalent product; to require the pharmacist to dispense the therapeutically equivalent product if the purchaser requests, unless it is more expensive than the drug product prescribed;² to require that the customer be provided with notice of any therapeutically equivalent substitutions; to provide that pharmacists not meeting the requirements of the Act may be subject to fines, penalties and disciplinary action; and lastly, to repeal the requirement in the Act that the Department of Human Services publish a formulary of drug products that are determined to be therapeutically equivalent to specified brand name drug products.

¹ Effective September 10, 1976 (D.C. Law 1-81; D.C. Official Code § 48-801.01 *et seq.*)

² The Act currently requires the pharmacist to dispense the product in stock having the lowest current selling price.

Financial Plan Impact

Funds are sufficient in the FY 2009 budget and the proposed FY 2010 through FY 2013 budget and financial plan to implement the provisions of the proposed legislation. Permitting a pharmacist to substitute a therapeutically equivalent product would have no fiscal impact on the District of Columbia Government.