



2003-15
EXECUTIVE ORDER ON PRESCRIPTION DRUGS

WHEREAS, the cost of prescription drugs continues to skyrocket, creating significant challenges for state agencies involved in the procurement of essential medications for Illinois citizens; and

WHEREAS, the state spends over \$1.8 billion annually on prescription drugs for Illinois citizens, including low- and moderate- income seniors, state employees, low- and moderate- income working parents and their children, people with disabilities and veterans; and

WHEREAS, the strategic coordination of prescription drug contracts and programs by a central state purchasing agent would facilitate cost efficiencies and maximize the state's purchasing power.

THEREFORE, I hereby order the following:

- I. ESTABLISHMENT OF THE SPECIAL ADVOCATE FOR PRESCRIPTION DRUGS

- A. I hereby create, within the Department of Central Management Services, a Special Advocate for prescription drugs.
- B. The Special Advocate shall oversee the central purchasing program for prescription drugs created by this Order and shall utilize the resources of Central Management Services, in consultation with the Director of Central Management Services, to implement that program.
- C. All state agencies under the authority of the Governor that are involved in contracts or programs for the purchase of or payment for prescription drugs shall work in conjunction with the Special Advocate to facilitate the duties described herein.
- D. This Executive Order shall not affect any contract or program in effect as of the date of the Order, unless or until the Special Advocate acts in relation to that contract or program.

II. POWERS AND DUTIES OF THE SPECIAL ADVOCATE FOR PRESCRIPTION DRUGS

- A. The Special Advocate shall have the authority to: create a central purchasing program to review all contracts and programs at agencies under the authority of the Governor that relate to the purchase of or payment for prescription drugs; develop and implement policy for such purchases and payments; and

negotiate for or coordinate the negotiation of contracts, reimbursement rates and rebates.

- B. The Special Advocate shall review all existing contracts for prescription drugs and shall have the authority to direct the various agencies to continue, freeze, or terminate those contracts, consistent with the applicable contractual terms of such contracts and in consultation with the contracting agency.
- C. The Special Advocate shall have the authority to combine any and all of the programs and contracts at the various agencies for purposes of negotiating reimbursement rates, rebates or other terms, to the extent that the combination is consistent with all applicable federal and state laws.
- D. All state contracts related to the purchase of or payment for prescription drugs shall be subject to the approval of the Special Advocate.
- E. The Special Advocate may propose and adopt rules under the Illinois Administrative Procedure Act regarding the procurement of prescription drugs by state agencies.

III. SAVINGS CLAUSE

Nothing in this Executive Order shall be construed to contravene any state or federal law. All laws and regulations relating to state

contracts and programs for the procurement of prescription drugs shall remain in effect.

IV. SEVERABILITY

If any provision of this Executive Order or its application to any person or circumstance is held invalid by any court of competent jurisdiction, this invalidity does not affect any other provision or application of this Executive Order which can be given effect without the invalid provision or application. To achieve this purpose, the provisions of this Executive Order are declared to be severable.

V. EFFECTIVE DATE

This Executive Order shall be in full force and effect upon its filing with the Secretary of State.

Rod R. Blagojevich, Governor