

**By KEVIN LEMBO**

Our state is engaged in a historic debate over how to promote Connecticut job growth and reinvigorate Connecticut's financial power — overcoming one of our nation's worst economic downturns since the Great Depression.

In an effort to eliminate wasteful spending, strengthen budget transparency and deliver government services more efficiently, I recently proposed legislation that would shift the Department of Social Services' drug purchasing operations to the comptroller's office. This would allow my office to jointly purchase drugs for employee and retiree health plans, which it already handles, and DSS programs such as Medicaid and Charter Oak. DSS would retain its authority to determine eligibility and terms of participation in the publicly funded programs.

This consolidation of purchasing would immediately save the state approximately \$66.5 million, and potentially much more, every year. This savings is a conservative estimate, first identified in the "Prescription Drug Purchasing Program Report" commissioned by the General Assembly. In the great deficit-fighting debate, we can all agree on one thing — \$66.5 million is real money.

For years, our state has had a fractured and disjointed system for buying prescription drugs. Various agencies independently purchase drugs — for employee health plans, hospitals, prisons and other state programs.

As a result of this strangely staggered system, Connecticut has long failed to harness its full purchasing power — depriving taxpayers of substantial volume-related discounts, streamlined state operations and other benefits. This system is akin to each member in a family of eight independently buying eight separate slices of pizza, when they could collectively buy one pie for less money and less trouble.

To dispel misconceptions: This proposal will cause no disruption. Taxpayers will achieve significant savings, but there will be no change in benefits for program participants. Access to care will be unchanged and prescription needs will be met as they always have been.

It would simply consolidate and streamline the state's purchasing of drugs.

This proposal is mindful of all stakeholders. While it has the potential to save the state even more — up to \$80 million annually — it seeks to protect the interests of independent pharmacies and small businesses by maintaining DSS' current dispensing fees, which are higher than those paid through the comptroller's office for employee health plan prescriptions.

As a result, the savings to taxpayers will be primarily accomplished through volume-related discounts.

This move is a strong step — but only a first one — to achieve significant cost savings throughout state government. Connecticut has a long way to go. My office is continuing to investigate other ways to streamline and save money, including further consolidation of drug purchasing with other agencies that continue to buy independently.

DSS and the comptroller's office are responsible for the primary share of pharmaceutical purchasing, but several other agencies also purchase prescriptions independently — the Department of Corrections, John Dempsey Hospital at the University of Connecticut Health Center, Department of Children and Families, Department of Mental Health and Addiction Services and Department of Public Health.

Adding to these savings, several municipalities are also considering joining the Connecticut Prescription Partnership — a program administered by my office that enables towns and cities to join the state's self-insured pharmacy benefit program and achieve substantial savings by purchasing drugs through the state. Those savings build — for state and municipal taxpayers — as more towns and cities participate.

The legislature should adopt this legislation before another dime is wasted.