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TESTIMONY OF MIKE KUCKENMEISTER

AB 307

MARCH 27, 2003

MADAM CHAIR, MEMBERS OF THE COMMITTEE, FOR THE RECORD MY NAME IS MIKE KUCKENMEISTER. I AM CHIEF OF THE MATERIALS MANAGEMENT SECTION OF THE STATE PURCHASING DIVISION. THE PURCHASING DIVISION HAS BEEN INVOLVED IN MANY OF THE OBJECTIVES AB307 SEEKS TO ACHIEVE FOR QUITE SOME TIME. WE HAVE BEEN MEMBERS OF THE MINNESOTA MULTI-STATE CONTRACTING ALLIANCE FOR PHARMACEUTICALS (MMCAP) FOR APPROXIMATELY 10 YEARS. NEVADA STATE AGENCIES AND POLITICAL SUBDIVISIONS CHOOSING TO USE THE MMCAP CONTRACT HAVE JOINED 40 STATES IN PURCHASING PRESCRIPTION AND NON-PRESCRIPTION DRUGS. THE PROGRAM ALLOWS FOR REBATES TO EACH AGENCY ACCOUNT, CREDITED ON AN ANNUAL BASIS, BASED UPON THE AMOUNT SPENT AS WELL AS FINANCIAL INCENTIVES FOR PROMPT PAYMENT.

THE MMCAP PROGRAM DOES NOT FULFILL ALL OF THE NEEDS OF EVERY AGENCY OR INSTITUTION. IT IS ONLY ONE OF MANY GOVERNMENT PURCHASING ORGANIZATIONS INVOLVED IN THE SALE OF PHARMACEUTICALS. WE ARE ALWAYS LOOKING FOR WAYS TO IMPROVE THE WAY WE PROCURE GOODS AND SERVICES FOR AGENCIES. WE

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ASSEMBLY ELECTIONS, PROCEDURES, & ETHICS
DATE: 3-27-03 ROOM: 3138 EXHIBIT X
SUBMITTED BY: Mike Kuckenmeister

COMMUNICATE REGULARLY WITH OUR COUNTERPARTS IN LOCAL GOVERNMENT THROUGHOUT NEVADA AND IN OTHER STATES ACROSS THE COUNTRY TO SEEK INNOVATIVE PROCUREMENT OPPORTUNITIES. IT IS MY SENSE THAT THE COST OF PROCURING PHARMACEUTICAL PRODUCTS IS OF GREAT CONCERN THROUGHOUT THE COUNTRY. MANY STATES SHARE OUR INTEREST PURSUING THEIR COST EFFECTIVE PROCUREMENT. THIS BILL SEEKS TO BRING TOGETHER A DIVERSE GROUP OF PUBLIC AND PRIVATE RESOURCES TO STUDY THE INDUSTRY AND DEVELOP PROCUREMENT SOLUTIONS THAT BALANCE THE NEED TO PROVIDE APPROPRIATE PHARMACEUTICAL PRODUCTS TO PATIENTS WITH FISCAL RESPONSIBILITY IN PROCURING THEM. BOTH OBJECTIVES CAN BE ACHIEVED THROUGH PROPERLY DEVELOPED, NEGOTIATED AND MANAGED CONTRACTS FOR THOSE PRODUCTS. THE ROLE OF THE PURCHASING DIVISION IS TO PROVIDE APPROPRIATE MECHANISMS TO ESTABLISH CONTRACTS AFTER CONSULTATION WITH THE AGENCIES WHO WOULD USE THEM. WE WOULD WELCOME THE OPPORTUNITY TO PARTICIPATE WITH SUCH A DIVERSE GROUP IN SEEKING APPROPRIATE MEANS TO PROCURE PHARMACEUTICALS APPROPRIATE FOR EVERY PATIENTS HEALTH CARE NEEDS AT REASONABLE PRICES.

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