

1 A JOINT MEMORIAL

2 REQUESTING THE NEW MEXICO HEALTH POLICY COMMISSION TO CONVENE  
3 A TASK FORCE TO IDENTIFY STATE DEPARTMENTS AND PUBLICLY  
4 FUNDED HEALTH CARE AGENCIES TO PARTICIPATE IN BULK PURCHASING  
5 OF DURABLE MEDICAL EQUIPMENT, HEALTH CARE SUPPLIES AND  
6 PHARMACEUTICALS.

7  
8 WHEREAS, state departments and publicly funded health  
9 care agencies can increase their market clout when purchasing  
10 durable medical equipment, health care supplies and  
11 pharmaceuticals by acting as a single bulk-purchasing unit  
12 because manufacturers and distributors are more likely to  
13 negotiate favorable pricing with larger-volume purchasing  
14 units; and

15 WHEREAS, administrative costs, and thus administrative  
16 fees, will decrease as economies of scale favor the bulk  
17 purchase of durable medical equipment, health care supplies  
18 and pharmaceuticals by state departments and publicly funded  
19 health care agencies acting as a single bulk-purchasing unit;  
20 and

21 WHEREAS, when purchasing durable medical equipment,  
22 health care supplies and pharmaceuticals in bulk, state  
23 departments and publicly funded health care agencies could  
24 utilize a single purchasing-management system that uses the  
25 industry's best practices, such as using preferred equipment,

1 supply and pharmaceutical lists and formularies for reference  
2 and review, and thus could realize savings while protecting  
3 patient choices; and

4 WHEREAS, state departments and publicly funded health  
5 care agencies could avoid duplication and share expensive  
6 resources by keeping a single bulk-purchasing and  
7 inventory-management system and thus realize savings; and

8 WHEREAS, many states, including New Mexico, Alaska,  
9 Georgia, Delaware, Hawaii, Minnesota, Missouri, Nevada, New  
10 Hampshire, Ohio, Vermont and West Virginia, have realized  
11 savings by consolidating pharmaceutical purchases for  
12 employees and medicaid pools; and

13 WHEREAS, cost should not be the only consideration in  
14 purchasing durable medical equipment, health care supplies  
15 and pharmaceuticals in bulk, and, therefore, quality should  
16 be considered when making bulk purchases of these products;

17 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE  
18 STATE OF NEW MEXICO that the New Mexico health policy  
19 commission be requested to convene a task force to identify  
20 state departments and publicly funded health care agencies  
21 that could participate in bulk purchasing of durable medical  
22 equipment, health care supplies and pharmaceuticals and plan  
23 a management system, timetable and quality control mechanisms  
24 for bulk purchasing; and

25 BE IT FURTHER RESOLVED that the task force report its

1 findings to the interim legislative health and human services  
2 committee no later than August 31, 2009; and

3 BE IT FURTHER RESOLVED that a copy of this memorial be  
4 transmitted to the director of the New Mexico health policy  
5 commission.

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