

By Senator Silver

38-1358-99

1                                   A bill to be entitled  
2           An act relating to drug formularies; amending  
3           s. 110.12315, F.S.; requiring the Division of  
4           State Group Insurance to establish a drug  
5           formulary and to contract with health  
6           maintenance organizations for the use of  
7           formularies and other cost-saving programs;  
8           establishing a schedule of copayments for  
9           nonformulary drugs on the state employees'  
10          prescription drug program; amending s. 409.906,  
11          F.S.; requiring the state Medicaid agency to  
12          establish a drug formulary; authorizing that  
13          agency to enter into rebate agreements with  
14          pharmaceutical manufacturers; providing an  
15          effective date.

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17 Be It Enacted by the Legislature of the State of Florida:

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19           Section 1. Subsection (1) of section 110.12315,  
20 Florida Statutes, is amended, and subsection (4) is added to  
21 that section, to read:

22           110.12315 Prescription drug program.--

23           (1) Under the state employees' prescription drug  
24 program, copayments must be made as follows:

25           (a) Fifteen-dollar copayment for brand name drug with  
26 card;

27           (b) Five-dollar copayment for generic drug with card;

28           (c) Five-dollar copayment for generic mail order drug;

29           (d) Fifteen-dollar copayment for brand name mail order  
30 drug;--

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1           (e) Thirty-dollar copayment for nonformulary drug with  
2 card;

3           (f) Thirty-dollar copayment for nonformulary mail  
4 order drug.

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6 There shall be a 30-day supply limit for prescription card  
7 purchases; there shall be a 90-day supply limit for mail order  
8 or mail order prescription drug purchases.

9           (4) Notwithstanding any other provision of this  
10 section, the division is directed to establish a formulary  
11 drug program for enrollees in the State Group Health Insurance  
12 Plan and to authorize health maintenance organization plans  
13 under contract to the state to use formulary and other  
14 pharmaceutical cost savings programs as determined by the  
15 division.

16           Section 2. Subsection (20) of section 409.906, Florida  
17 Statutes, 1998 Supplement, is amended to read:

18           409.906 Optional Medicaid services.--Subject to  
19 specific appropriations, the agency may make payments for  
20 services which are optional to the state under Title XIX of  
21 the Social Security Act and are furnished by Medicaid  
22 providers to recipients who are determined to be eligible on  
23 the dates on which the services were provided. Any optional  
24 service that is provided shall be provided only when medically  
25 necessary and in accordance with state and federal law.

26 Nothing in this section shall be construed to prevent or limit  
27 the agency from adjusting fees, reimbursement rates, lengths  
28 of stay, number of visits, or number of services, or making  
29 any other adjustments necessary to comply with the  
30 availability of moneys and any limitations or directions

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1 provided for in the General Appropriations Act or chapter 216.  
2 Optional services may include:  
3 (20) PRESCRIBED DRUG SERVICES.--The agency may pay for  
4 medications that are prescribed for a recipient by a physician  
5 or other licensed practitioner of the healing arts authorized  
6 to prescribe medications and that are dispensed to the  
7 recipient by a licensed pharmacist or physician in accordance  
8 with applicable state and federal law. The agency shall  
9 establish a formulary, and may enter into supplemental rebate  
10 agreements with pharmaceutical manufacturers, to control costs  
11 and ensure medically appropriate therapy. In establishing the  
12 formulary, the agency shall comply with the requirements of  
13 Title XIX, s. 1927 of the Social Security Act.

14 Section 3. This act shall take effect July 1, 1999.

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17 SENATE SUMMARY

18 Directs the Division of State Group Insurance to  
19 establish a drug formulary for members of the state  
20 employees' prescription drug program and specifies the  
21 copayment required for nonformulary drugs. Further  
22 directs the division to contract with health maintenance  
23 organizations for use of formulary drugs and other  
24 cost-saving programs. Directs the state Medicaid agency  
25 to establish a drug formulary and authorizes it to enter  
26 rebate agreements with manufacturers of pharmaceuticals.  
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