

hbd-08

Bill No. CS/CS/HBs 769 & 1087

Amendment No. ____ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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ORIGINAL STAMP BELOW

11 Representative(s) Argenziano and Pruitt offered the following:

Amendment (with title amendment)

14 Remove from the bill: Everything after the enacting clause
15
16 and insert in lieu thereof:

17 Section 1. Pharmaceutical expense assistance
18 program.--

19 (1) INTENT.--It is the intent of the Legislature to
20 initiate a pharmaceutical expense assistance program for those
21 persons with very low incomes who are most in need. It is
22 further the intent of the Legislature to attempt to leverage
23 maximum pharmaceutical manufacturer participation in this
24 program.

25 (2) PROGRAM ESTABLISHED.--There is established a
26 pharmaceutical expense assistance program which is designed to
27 provide prescription drug coverage to a limited group of most
28 needy individuals.

29 (3) ELIGIBILITY.--Eligibility for the program is
30 limited to those individuals who qualify for limited
31 assistance under the Florida Medicaid program as a result of

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1 being dually eligible for both Medicare and Medicaid, but
2 whose limited assistance or Medicare coverage does not include
3 any pharmacy benefit. Specifically eligible are the following
4 low-income senior citizens who:

5 (a) Are Florida residents age 65 and over;
6 (b) Have an income between 90 and 120 percent of the
7 federal poverty level;
8 (c) Are eligible for both Medicare and Medicaid;
9 (d) Are not enrolled in a Medicare health maintenance
10 organization that provides a pharmacy benefit; and
11 (e) Request to be enrolled in the program.

12 (4) PROGRAM PARAMETERS.--
13 (a) The program shall make available the same
14 formulary of prescription medications that is made available
15 to Medicaid recipients. Medications shall be provided in the
16 generic equivalent if a generic equivalent exists, except when
17 a brand name medication is available at a cost lower than its
18 generic equivalent or when a physician has determined that the
19 brand name medication is necessary to achieve the desired
20 therapeutic effect and the agency approves.

21 (b) Monthly benefit payments shall be limited to \$80
22 per program participant. Participants are required to make a
23 10-percent coinsurance payment for each prescription purchased
24 through this program.

25 (5) ADMINISTRATION.--The pharmaceutical expense
26 assistance program is to be administered by the Agency for
27 Health Care Administration, under the authority provided in s.
28 409.914(1), Florida Statutes, in conjunction with the
29 Department of Elderly Affairs and the Department of Health.

30 (a) The Agency for Health Care Administration and the
31 Department of Elderly Affairs shall develop a single-page

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1 application for the pharmaceutical expense assistance program.

2 (b) The Agency for Health Care Administration shall,
3 by rule, establish for the pharmaceutical expense assistance
4 program eligibility requirements, limits on participation,
5 benefit limitations, a requirement for generic drug
6 substitution, and other program parameters comparable to those
7 of the Medicaid program.

8 (c) By January 1 of each year, the Agency for Health
9 Care Administration shall report to the Legislature on the
10 operation of the program. The report shall include information
11 on the number of individuals served, use rates, and
12 expenditures under the program. The report shall also address
13 the impact of the program on reducing unmet pharmaceutical
14 drug needs among the elderly and recommend programmatic
15 changes.

16 (6) NONENTITLEMENT.--The pharmaceutical expense
17 assistance program is not an entitlement.

18 (7) PHARMACEUTICAL MANUFACTURER PARTICIPATION.--In
19 order for a drug product to be covered under this program, the
20 product's manufacturer shall provide a rebate to the state
21 equal to an amount consistent with the Medicaid rebate of 15.1
22 percent of the average manufacturer price for innovator or
23 brand name products and noninnovator or generic products.

24 Section 2. Medicare prescription discount program.--As
25 a condition of participation in the Florida Medicaid program
26 or the pharmaceutical expense assistance program, a pharmacy
27 must agree that the charge to any Medicare beneficiary showing
28 a Medicare card when presenting a prescription shall be no
29 greater than the amount paid to that pharmacy for ingredients
30 and dispensing under the Florida Medicaid program, plus 4
31 percent of the Medicaid payment for the ingredients of the

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1 prescription.

2 Section 3. For fiscal year 2000-2001, the sum of \$15
3 million is appropriated from the General Revenue Fund to the
4 Agency for Health Care Administration for the purpose of
5 implementing the pharmaceutical expense assistance program
6 effective January 1, 2001. Rebates collected under subsection
7 (7) of section 1 of this act shall be used to help finance the
8 program.

9 Section 4. For fiscal year 2000-2001, the sum of
10 \$250,000 is appropriated from the General Revenue Fund to the
11 Agency for Health Care Administration to administer the
12 pharmaceutical expense assistance program.

13 Section 5. The provisions of this act shall be
14 repealed upon the federal enactment of pharmaceutical benefits
15 through the Medicare program.

16 Section 6. This act shall take effect July 1, 2000.

17
18

19 ===== T I T L E A M E N D M E N T =====

20 And the title is amended as follows:

21 Remove from the title of the bill: the entire title

22

23 and insert in lieu thereof:

24 A bill to be entitled
25 An act relating to delivery of health care
26 services; creating a pharmaceutical expense
27 assistance program; providing eligibility;
28 providing program parameters; prescribing
29 duties of the Agency for Health Care
30 Administration and other entities; providing
31 for rules; requiring a report; prescribing

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prerequisite that drug manufacturers must meet
in order for their drug products to be covered
under the program; requiring pharmacies that
participate in the program or in Medicaid to
agree to limitations on compensation; providing
appropriations; providing for conditional
repeal; providing an effective date.