

1 A bill to be entitled
2 An act relating to delivery of health care
3 services; creating a pharmaceutical expense
4 assistance program; providing eligibility;
5 prescribing duties of the Agency for Health
6 Care Administration and other entities;
7 providing for rules; requiring a report;
8 prescribing prerequisites that drug
9 manufacturers must meet in order for their drug
10 products to be covered under the program or
11 Medicaid; requiring pharmaceutical
12 manufacturers to file disclosure reports to the
13 Agency for Health Care Administration for
14 certain expenditures on certain licensed health
15 care professionals; requiring reimbursements
16 under the program to be the same as those for
17 Medicaid; requiring pharmacies that participate
18 in the program or in Medicaid to agree to
19 limitations on compensation for Medicare
20 beneficiaries; providing appropriations;
21 directing the use of rebates received;
22 providing an effective date.

23
24 Be It Enacted by the Legislature of the State of Florida:

25
26 Section 1. Pharmaceutical expense assistance.--
27 (1) PROGRAM ESTABLISHED.--There is established a
28 program to provide pharmaceutical expense assistance to
29 certain low-income elderly individuals.
30 (2) ELIGIBILITY.--Eligibility for the program is
31 limited to those individuals who qualify for limited

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

6 (a) Are Florida residents age 65 and over;

7 (b) Have an income between 90 and 120 percent of the
8 federal poverty level;

9 (c) Are eligible for both Medicare and Medicaid;

10 (d) Are not enrolled in a Medicare health maintenance
11 organization that provides a pharmacy benefit; and

12 (e) Request to be enrolled in the program.

13 (3) BENEFITS.--Medications covered under the
14 pharmaceutical expense assistance program are those covered
15 under the Medicaid program in section 409.906(20), Florida
16 Statutes. Monthly benefit payments shall be limited to \$80 per
17 program participant. Participants are required to make a
18 10-percent coinsurance payment for each prescription purchased
19 through this program.

20 (4) ADMINISTRATION.--The pharmaceutical expense
21 assistance program shall be administered by the Agency for
22 Health Care Administration, in consultation with the
23 Department of Elderly Affairs.

24 (a) The Agency for Health Care Administration and the
25 Department of Elderly Affairs shall develop a single-page
26 application for the pharmaceutical expense assistance program.

27 (b) The Agency for Health Care Administration shall,
28 by rule, establish for the pharmaceutical expense assistance
29 program eligibility requirements, limits on participation,
30 benefit limitations, a requirement for generic-drug

31

1 substitution, and other program parameters comparable to those
2 of the Medicaid program.

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

11 (5) NONENTITLEMENT.--The pharmaceutical expense
12 assistance program established by this section is not an
13 entitlement.

14 (6) PHARMACEUTICAL MANUFACTURER PARTICIPATION.--In
15 order for a drug product to be covered under Medicaid or this
16 program, the product's manufacturer shall:

17 (a) Provide a rebate to the state equal to the rebate
18 required by the Medicaid program; and

19 (b) Make the drug product available to the program for
20 the best price that the manufacturer makes the drug product
21 available in the Medicaid program.

22 (c) File an annual report with the Agency for Health
23 Care Administration which discloses the amount the
24 manufacturer spent on gifts, payments, subsidies, or other
25 financial inducements, other than complimentary samples of
26 medicinal drugs, to physicians licensed under the Board of
27 Medicine, the Board of Osteopathic Medicine, the Board of
28 Podiatric Medicine, and the Board of Dentistry in this state
29 that do not primarily and directly entail a benefit to
30 patients and are of a substantial value. The manufacturer must
31 also disclose any gifts, payments, subsidies, or other

1 financial inducements that exceed \$100 per single practitioner
2 per instance and any cumulative gifts, payments, subsidies, or
3 other financial inducements that exceed \$250 per single
4 practitioner per year.

5 (7) REIMBURSEMENT.--Reimbursements to pharmacies
6 participating in the pharmaceutical expense assistance program
7 established under this section shall be equivalent to
8 reimbursements under the Medicaid program.

9 Section 2. Medicare prescription discount program.--As
10 a condition of participation in the Medicaid program or the
11 pharmacy benefit program, a pharmacy must charge a price no
12 greater than the average wholesale price minus 9 percent, plus
13 a dispensing fee of \$4.50, when any Florida resident, who is a
14 Medicare beneficiary, shows a Medicare card when presenting a
15 prescription. However, this section does not prohibit a
16 pharmacy from offering its own senior-citizen
17 prescription-drug discount program that provides a greater
18 discount.

19 Section 3. For fiscal year 2000-2001, the sum of \$15
20 million is appropriated from the General Revenue Fund to the
21 Agency for Health Care Administration for the purpose of
22 implementing the pharmaceutical expense assistance program
23 effective January 1, 2001. Rebates collected under subsection
24 (6) of section 1 of this act shall be used to provide
25 additional benefits or serve additional people in the program.

26 Section 4. For fiscal year 2000-2001, the sum of
27 \$250,000 is appropriated from the General Revenue Fund to the
28 Agency for Health Care Administration to administer the
29 pharmaceutical expense assistance program.

30 Section 5. This act shall take effect July 1, 2000.
31