

1 A bill to be entitled
2 An act relating to delivery of health care
3 services; providing a short title; creating a
4 pharmaceutical expense assistance program;
5 providing eligibility; prescribing duties of
6 the Agency for Health Care Administration and
7 other entities; providing for rules; requiring
8 a report; 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 reimbursements under the
12 program to be the same as those for Medicaid;
13 requiring pharmacies that participate in the
14 program or in Medicaid to agree to limitations
15 on compensation for Medicare beneficiaries;
16 providing appropriations; directing the use of
17 rebates received; providing an effective date.

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

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21 Section 1. This act may be cited as the "Prescription
22 Affordability Act for Seniors."

23 Section 2. Pharmaceutical expense assistance.--

24 (1) PROGRAM ESTABLISHED.--There is established a
25 program to provide pharmaceutical expense assistance to
26 certain low-income elderly individuals.

27 (2) ELIGIBILITY.--Eligibility for the program is
28 limited to those individuals who qualify for limited
29 assistance under the Florida Medicaid program as a result of
30 being dually eligible for both Medicare and Medicaid, but
31 whose limited assistance or Medicare coverage does not include

1 any pharmacy benefit. Specifically eligible are low-income
2 senior citizens who:
3 (a) Are Florida residents age 65 and over;
4 (b) Have an income between 90 and 120 percent of the
5 federal poverty level;
6 (c) Are eligible for both Medicare and Medicaid;
7 (d) Are not enrolled in a Medicare health maintenance
8 organization that provides a pharmacy benefit; and
9 (e) Request to be enrolled in the program.
10 (3) BENEFITS.--Medications covered under the
11 pharmaceutical expense assistance program are those covered
12 under the Medicaid program in section 409.906(20), Florida
13 Statutes. Monthly benefit payments shall be limited to \$80 per
14 program participant. Participants are required to make a
15 10-percent coinsurance payment for each prescription purchased
16 through this program.
17 (4) ADMINISTRATION.--The pharmaceutical expense
18 assistance program shall be administered by the Agency for
19 Health Care Administration, in consultation with the
20 Department of Elderly Affairs.
21 (a) The Agency for Health Care Administration and the
22 Department of Elderly Affairs shall develop a single-page
23 application for the pharmaceutical expense assistance program.
24 (b) The Agency for Health Care Administration shall,
25 by rule, establish for the pharmaceutical expense assistance
26 program eligibility requirements, limits on participation,
27 benefit limitations, a requirement for generic-drug
28 substitution, and other program parameters comparable to those
29 of the Medicaid program.
30 (c) By January 1 of each year, the Agency for Health
31 Care Administration shall report to the Legislature on the

1 operation of the program. The report shall include information
2 on the number of individuals served, use rates, and
3 expenditures under the program. The report shall also address
4 the impact of the program on reducing unmet pharmaceutical
5 drug needs among the elderly and recommend programmatic
6 changes.

7 (5) NONENTITLEMENT.--The pharmaceutical expense
8 assistance program established by this section is not an
9 entitlement.

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

13 (a) Provide a rebate to the state equal to the rebate
14 required by the Medicaid program; and

15 (b) Make the drug product available to the program for
16 the best price that the manufacturer makes the drug product
17 available in the Medicaid program.

18 (7) REIMBURSEMENT.--Reimbursements to pharmacies
19 participating in the pharmaceutical expense assistance program
20 established under this section shall be equivalent to
21 reimbursements under the Medicaid program.

22 Section 3. Medicare prescription discount program.--

23 (1) As a condition of participation in the Florida
24 Medicaid Program or the pharmaceutical expense assistance
25 program, a pharmacy must agree to charge any individual who is
26 a Medicare beneficiary and who is a Florida resident showing a
27 Medicare card when they present a prescription a price no
28 greater than the cost of ingredients equal to the average
29 wholesale price minus 9 percent, and a dispensing fee of
30 \$4.50.

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1 (2) In lieu of the provisions of subsection (1), and
2 as a condition of participation in the Florida Medicaid
3 Program or the pharmaceutical expense assistance program, a
4 pharmacy must agree to:

5 (a) Provide a private voluntary prescription discount
6 program to state residents who are Medicare beneficiaries; or

7 (b) Accept a private voluntary discount prescription
8 program from state residents who are Medicare beneficiaries.

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10 Discounts under this subsection must be at least as great as
11 discounts under subsection (1).

12 Section 4. For fiscal year 2000-2001, the sum of \$15
13 million is appropriated from the General Revenue Fund to the
14 Agency for Health Care Administration for the purpose of
15 implementing the pharmaceutical expense assistance program
16 effective January 1, 2001. Rebates collected under subsection
17 (6) of section 1 of this act shall be used to provide
18 additional benefits or serve additional people in the program.

19 Section 5. For fiscal year 2000-2001, the sum of
20 \$250,000 is appropriated from the General Revenue Fund to the
21 Agency for Health Care Administration to administer the
22 pharmaceutical expense assistance program.

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