

By the Committee on Health, Aging and Long-Term Care; and
Senators Brown-Waite and Klein

317-1532-01

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A bill to be entitled
An act relating to the pharmacy discount
program; amending s. 409.906, F.S.; authorizing
as a new optional Medicaid service the pharmacy
discount program, to be administered by the
Agency for Health Care Administration;
directing the Agency for Health Care
Administration to seek a federal Medicaid
waiver for the pharmacy discount program;
specifying program eligibility and eligibility
determination; specifying the means of deriving
the subsidy for program participants; providing
an effective date.

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

Section 1. Subsection (25) is added to section
409.906, Florida Statutes, to read:

409.906 Optional Medicaid services.--Subject to
specific appropriations, the agency may make payments for
services which are optional to the state under Title XIX of
the Social Security Act and are furnished by Medicaid
providers to recipients who are determined to be eligible on
the dates on which the services were provided. Any optional
service that is provided shall be provided only when medically
necessary and in accordance with state and federal law.
Nothing in this section shall be construed to prevent or limit
the agency from adjusting fees, reimbursement rates, lengths
of stay, number of visits, or number of services, or making
any other adjustments necessary to comply with the
availability of moneys and any limitations or directions

1 provided for in the General Appropriations Act or chapter 216.
2 If necessary to safeguard the state's systems of providing
3 services to elderly and disabled persons and subject to the
4 notice and review provisions of s. 216.177, the Governor may
5 direct the Agency for Health Care Administration to amend the
6 Medicaid state plan to delete the optional Medicaid service
7 known as "Intermediate Care Facilities for the Developmentally
8 Disabled." Optional services may include:

9 (25) PHARMACY DISCOUNT PROGRAM.--Subject to specific
10 federal authorization, the agency shall administer a program
11 to provide subsidized discounts for Medicare-covered and
12 uninsured individuals, for the purchase of prescribed drugs
13 pursuant to the terms of a federal waiver for such services.
14 The program shall serve to provide a subsidy to those who
15 purchase prescription drugs via the program, and shall not
16 create an entitlement.

17 Section 2. The Agency for Health Care Administration
18 shall submit to the federal Health Care Financing
19 Administration a request for a service coverage waiver
20 specific to a pharmacy discount program for those residents of
21 this state age 65 and over who are eligible for Medicare and
22 who have incomes up to 300 percent of the federal poverty
23 level who do not have a health insurance program that includes
24 a prescription drug benefit, or any separate prescription drug
25 benefit. The Department of Children and Family Services shall
26 determine eligibility for the pharmacy discount program.
27 Individuals in this expanded coverage group shall receive a
28 financial subsidy for prescription drugs equal to the average
29 rebate, and any supplemental rebate, paid to the Medicaid
30 program by pharmaceutical manufacturers.

31 Section 3. This act shall take effect October 1, 2001.

1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 Senate Bill 420

4 The bill no longer establishes a medication purchasing
5 cooperative administered by the Agency for Health Care
6 Administration. The bill creates the Pharmacy Discount
7 Program, a new optional Medicaid service, subject to specific
8 federal authorization. Under the program, eligible individuals
9 will receive a financial subsidy for prescription drugs equal
10 to the average rebate and any supplemental rebate paid to the
11 Medicaid program by pharmaceutical manufacturers. Eligibility
12 for the program is extended to Medicare beneficiaries and
13 uninsured persons who are Florida residents age 65 and over
14 and who have incomes up to 300 percent of the federal poverty
15 level and who do not have a health insurance program that
16 includes a prescription drug benefit or any separate
17 prescription drug benefit.

18 The Agency for Health Care Administration must submit a
19 request to the federal Health Care Financing Administration
20 for a service coverage waiver specific to the pharmacy
21 discount program. The Department of Children and Family
22 Services must determine eligibility for the pharmacy discount
23 program.
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