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HB 0843 2003

A bill to be entitled

An act relating to prescription drugs; amending s. 409.9065, F.S.; revising the pharmaceutical expense assistance program for low-income elderly individuals; adding eligibility groups; providing benefits; requiring the Agency for Health Care Administration, in administering the program, to collaborate with both the Department of Elderly Affairs and the Department of Children and Family Services; requiring federal approval of benefits; providing an effective date.

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

Section 1. Section 409.9065, Florida Statutes, is amended to read:

409.9065 Pharmaceutical expense assistance.--

- (1) PROGRAM ESTABLISHED. -- There is established a program to provide pharmaceutical expense assistance to <u>eligible certain</u> low-income elderly individuals, which shall be known as the "Ron Silver Senior Drug Program" and may be referred to as the "Silver Lifesaver Program."
- (2) ELIGIBILITY. -- Eligibility for the program is limited to those individuals who qualify for limited assistance under the Florida Medicaid program as a result of being dually eligible for both Medicare and Medicaid, but whose limited assistance or Medicare coverage does not include any pharmacy benefit. To the extent funds are appropriated, specifically eligible individuals are individuals who:
 - (a) Are Florida residents age 65 and over;

Page 1 of 5



HB 0843 2003

(b) Have an income of up to 200 percent of the federal poverty level: \div

- 1. Between 88 and 120 percent of the federal poverty level;
- 2. Between 88 and 150 percent of the federal poverty level if the Federal Government increases the federal Medicaid match for persons between 100 and 150 percent of the federal poverty level; or
- 3. Between 88 percent of the federal poverty level and a level that can be supported with funds provided in the General Appropriations Act for the program offered under this section along with federal matching funds approved by the Federal Government under a s. 1115 waiver. The agency is authorized to submit and implement a federal waiver pursuant to this subparagraph. The agency shall design a pharmacy benefit that includes annual per-member benefit limits and cost-sharing provisions and limits enrollment to available appropriations and matching federal funds. Prior to implementing this program, the agency must submit a budget amendment pursuant to chapter 216;
 - (c) Are eligible for both Medicare and Medicaid;
- (d) <u>Have exhausted pharmacy benefits under Medicare,</u>

 <u>Medicaid, or any other insurance plan</u> <u>Are not enrolled in a</u>

 <u>Medicare health maintenance organization that provides a</u>

 <u>pharmacy benefit;</u> and
 - (e) Request to be enrolled in the program.
- (3) BENEFITS.--Eligible individuals shall receive a discount for prescription drugs Medications covered under the pharmaceutical expense assistance program are those covered under the Medicaid program in s. 409.906(20)(19). Monthly benefit payments shall be limited to \$80 per program



HB 0843 2003

participant. Participants are required to make a 10-percent coinsurance payment for each prescription purchased through this program.

- (a) Eligible individuals with incomes of up to 120 percent of the federal poverty level shall receive a discount of 100 percent for the first \$160 worth of prescription drugs they receive each month, subject to copayments that the agency requires on these benefits. For all other prescription drugs received each month, eligible individuals shall receive a discount of 50 percent.
- (b) Eligible individuals with incomes of between 120 percent and 150 percent of the federal poverty level shall receive a discount of 50 percent.
- (c) Eligible individuals with incomes of between 150 percent and 175 percent of the federal poverty level shall receive a discount of 41 percent.
- (d) Eligible individuals with incomes of between 175 percent and 200 percent of the federal poverty level shall receive a discount of 37 percent.
- (4) ADMINISTRATION. -- The pharmaceutical expense assistance program shall be administered by the agency for Health Care Administration, in collaboration consultation with the Department of Elderly Affairs and the Department of Children and Family Services.
- (a) The Agency for Health Care Administration and the Department of Elderly Affairs shall develop a single-page application for the pharmaceutical expense assistance program.
- (a)(b) The agency for Health Care Administration shall, by rule, establish for the pharmaceutical expense assistance program eligibility requirements; limits on participation;



HB 0843 2003

benefit limitations, <u>including copayments</u>; a requirement for generic drug substitution; and other program parameters comparable to those of the Medicaid program. <u>However</u>, there shall be no monetary limit on prescription drugs purchased with discounts of less than 51 percent unless the agency determines there is a risk of a funding shortfall in the program. If the agency determines there is a risk of a funding shortfall, the agency may establish monetary limits on prescription drugs which shall not be less than \$160 worth of prescription drugs per month.

- (b)(e) By January 1 of each year, the agency for Health Care Administration shall report to the Legislature on the operation of the program. The report shall include information on the number of individuals served, use rates, and expenditures under the program. The report shall also address the impact of the program on reducing unmet pharmaceutical drug needs among the elderly and recommend programmatic changes.
- (5) NONENTITLEMENT. -- The pharmaceutical expense assistance program established by this section is not an entitlement. Enrollment levels are limited to those authorized by the Legislature in the annual General Appropriations Act. If, after establishing monetary limits as required by paragraph (4)(a), funds are insufficient to serve all eligible individuals eligible under subsection (2) and seeking coverage, the agency may develop a waiting list based on application dates to use in enrolling individuals in unfilled enrollment slots.
- (6) PHARMACEUTICAL MANUFACTURER PARTICIPATION.--In order for a drug product to be covered under Medicaid or this program, the product's manufacturer shall:



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HB 0843 2003

- (a) Provide a rebate to the state equal to the rebate required by the Medicaid program; and
- (b) Make the drug product available to the program for the best price that the manufacturer makes the drug product available in the Medicaid program.
- (7) REIMBURSEMENT.--<u>Total</u> reimbursements to pharmacies participating in the pharmaceutical expense assistance program established under this section shall be equivalent to reimbursements under the Medicaid program.
- (8) FEDERAL APPROVAL. -- The benefits provided in this section are limited to those approved by the Federal Government pursuant to a Medicaid waiver or an amendment to the state Medicaid plan.
 - Section 2. This act shall take effect upon becoming a law.

Page 5 of 5