

Committee Substitute for
Committee Substitute for Senate Bill No. 940

An act relating to delivery of health care services; providing a short title; creating a pharmaceutical expense assistance program; providing eligibility; prescribing duties of the Agency for Health Care Administration and other entities; providing for rules; requiring a report; prescribing prerequisites that drug manufacturers must meet in order for their drug products to be covered under the program or Medicaid; requiring reimbursements under the program to be the same as those for Medicaid; requiring pharmacies that participate in the program or in Medicaid to agree to limitations on compensation for Medicare beneficiaries; providing appropriations; directing the use of rebates received; providing an effective date.

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

Section 1. This act may be cited as the “Prescription Affordability Act for Seniors.”

Section 2. Pharmaceutical expense assistance.—

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

(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. Specifically eligible are low-income senior citizens who:

(a) Are Florida residents age 65 and over;

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

(c) Are eligible for both Medicare and Medicaid;

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

(e) Request to be enrolled in the program.

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

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

(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.

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

(c) 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.

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

(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.—Reimbursements to pharmacies participating in the pharmaceutical expense assistance program established under this section shall be equivalent to reimbursements under the Medicaid program.

Section 3. Medicare prescription discount program.—

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

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

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

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

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

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

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

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

Approved by the Governor June 8, 2000.

Filed in Office Secretary of State June 8, 2000.