

# MAINE STATE LEGISLATURE

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# 115th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1991

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Legislative Document

No. 117

S.P. 65

In Senate, January 8, 1991

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN  
Secretary of the Senate

Presented by Senator TWITCHELL of Oxford.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD  
NINETEEN HUNDRED AND NINETY-ONE

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**An Act to Create a Fund to Pay Certain Costs of Drugs Used to Treat  
Mental Illness.**

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2 Be it enacted by the People of the State of Maine as follows:

4 Sec. 1. 22 MRSA §3174-K is enacted to read:

6 §3174-K. Medicaid reimbursement for clozapine

8 Notwithstanding section 3174-J, the Department of Human  
10 Services shall adopt rules that provide for Medicaid  
12 reimbursement for clozapine or its equivalent. The rules may not  
14 require that recipients be hospitalized as a condition of  
16 eligibility. The rules must provide that any Medicaid recipient  
18 who is prescribed clozapine by a physician is eligible for  
20 reimbursement.

22 Sec. 2. 34-B MRSA chapter 3, subchapter VI is enacted to read:

24 SUBCHAPTER VI

26 DRUG THERAPY PROGRAM

28 §3921. Establishment

30 The department shall establish an interest-bearing dedicated  
32 revenue account to fund drug therapy for people with mental  
34 illness who have no other means of obtaining needed drug  
36 therapy. All funds and accrued interest not expended by the end  
38 of the year do not lapse, but carry forward into subsequent years.

40 §3922. Schedule of covered drugs

42 Clozapine or its equivalent must be reimbursable under this  
44 subchapter. If funding permits, the department may adopt rules  
46 to provide reimbursement for additional drugs that are used  
48 primarily by people with mental illness.

50 §3923. Eligibility

The department shall determine eligibility standards. The  
eligibility decision, made by the commissioner or the  
commissioner's designee, is final, subject to appeal in  
accordance with the Maine Administrative Procedure Act.  
Eligibility standards must include the following.

1. Income. A person meets income standards if the person:

A. Is under 18 years of age and has a household income that  
is 125% or less of the federal poverty level; or

B. Is 18 years of age or older and has a household income  
that is 100% or less of the federal poverty level.

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2. Residence. An individual must be a resident of the State at the time an application is filed. Eligibility may not be based on an individual's abode or a requirement of prior hospitalization.

3. Limitation. An individual is not eligible for this program if the individual has any other reasonable means to purchase the required drugs.

§3924. Rules

The department shall adopt rules in accordance with the Maine Administrative Procedure Act to carry out the purposes of this subchapter.

Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	1991-92	1992-93
<b>MENTAL HEALTH AND MENTAL RETARDATION, DEPARTMENT OF</b>		
<b>Drug Therapy Program</b>		
All Other	\$120,000	\$120,000
Provides funds for drugs under the drug therapy program.		

**STATEMENT OF FACT**

Presently Medicaid reimbursement for clozapine is contingent on a prior hospitalization at a psychiatric hospital. Section 1 of this bill expands eligibility to include people who live in community settings and have not been hospitalized.

Sections 2 and 3 of the bill establish a fund to purchase clozapine for people with mental illness who have no other means of purchasing that drug.