

MAINE STATE LEGISLATURE

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M
R. W. S.

L.D. 1809

DATE: 5/17/99

(Filing No. H-595)

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HEALTH AND HUMAN SERVICES

MAJORITY

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
119TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 1255, L.D. 1809, Bill, "An Act to Increase Access to Cub Care for Children"

Amend the bill in section 2 by striking out all of subsection 11 and inserting in its place the following:

'11. Cub Care drug rebate program. The department shall enter into a drug rebate agreement with each manufacturer of prescription drugs under the Cub Care program in accordance with the federal Social Security Act, Section 1927, as long as the agreements are consistent with state and federal law, are approved by the federal Health Care Finance Administration and result in a net increase in rebate revenue available to the Cub Care program. Individual rebate agreements may vary.

A. The department shall seek to achieve an aggregate rebate amount from all agreements that is at least 6 percentage points higher than the percentage of the total Cub Care drug expenditures that the rebates would otherwise be under 42 United States Code, Section 1396r-8, of the federal Social Security Act.

B. Any increase in revenue from the Cub Care drug rebate program over accepted estimates as of the effective date of this subsection that results in a higher percentage of the total Cub Care drug rebates must be reserved to provide coverage pursuant to this section.

COMMITTEE AMENDMENT

RWS

2 C. In the event that the department is not able to achieve
 4 the aggregate rebate amount required by paragraph A without
 6 compromising the best interest of Cub Care recipients and
 8 the Cub Care drug rebate program, the department shall
 10 report to the joint standing committee of the Legislature
 12 having jurisdiction over health and human services matters
 14 and the joint standing committee of the Legislature having
 16 jurisdiction over appropriations and financial affairs in
 18 the Second Regular Session of the 119th Legislature.'

Further amend the bill by inserting after section 2 the following:

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

	1999-00	2000-01
HUMAN SERVICES, DEPARTMENT OF		
Bureau of Family Independence - Central		
Positions - Legislative Count	(1,000)	(1,000)
Personal Services	\$28,710	\$29,587
Provides funds for one Human Services Aide III position that reflect the state share of the costs to manage the increased access to Cub Care.		
Medical Care - Payments to Providers		
All Other	\$287,780	\$466,796
Provides funds for the state share of the costs to increase access to Cub Care.		
DEPARTMENT OF HUMAN SERVICES		
TOTAL	\$316,490	\$496,383

Sec. 4. Allocation. The following funds are allocated from the Federal Expenditures Fund to carry out the purposes of this Act.

	1999-00	2000-01
2 HUMAN SERVICES, DEPARTMENT OF		
4 Bureau of Family Independence - Central		
6		
7 Positions - Legislative Count	(1,000)	(1,000)
8 Personal Services	\$28,710	\$29,587
9 All Other	12,000	5,000
10		
11 TOTAL	<u>\$40,710</u>	<u>\$34,587</u>
12		
13 Provides funds for one Human		
14 Services Aide III position		
15 and related operating costs		
16 that reflect the federal		
17 share of the costs to manage		
18 the increased access to Cub		
19 Care.		
20		
21 Medical Care - Payments to Providers		
22		
23 All Other	\$931,111	\$1,507,807
24		
25 Provides funds for the		
26 federal share of the costs to		
27 increase access to Cub Care.		
28		
29 DEPARTMENT OF HUMAN SERVICES		
30 TOTAL	<u>\$971,821</u>	<u>\$1,542,394</u>

31 Further amend the bill by inserting at the end before the
 32 summary the following:

34

36 FISCAL NOTE

	1999-00	2000-01
38 APPROPRIATIONS/ALLOCATIONS		
40		
41 General Fund	\$316,490	\$496,383
42 Other Funds	971,821	1,542,394
43		
44 REVENUES		
46		
47 Other Funds	\$971,821	\$1,542,394
48		

49 This bill includes General Fund appropriations of \$316,490
 50 and \$496,383 in fiscal years 1999-00 and 2000-01, respectively,

2 for the Department of Human Services to increase access to Cub
Care for children and start a Cub Care drug rebate program with
4 each manufacturer of prescription drugs. This bill also includes
Federal Expenditures Fund allocations of \$971,821 and \$1,542,394
6 in fiscal years 1999-00 and 2000-01, respectively, for the
federal share of the increased access to Cub Care.'

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SUMMARY

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12 This amendment models the Cub Care drug rebate program after
the Medicaid drug rebate program to allow a broader spectrum of
14 pharmaceuticals to be covered. The amendment also adds a fiscal
note.