

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
119TH LEGISLATURE
SECOND REGULAR SESSION

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 1026, L.D. 2599, Bill, "An Act to Establish Fairer Pricing for Prescription Drugs"

Amend the amendment by striking out on page 1 everything after the title (page 1, lines 22 to 50 in amendment) and all of pages 2 and 3 and on page 4 (lines 1 to 31 in amendment) and inserting in their place the following:

'Amend the bill by striking out all of Part A and inserting in its place the following:

PART A

Sec. A-1. 22 MRSA §254, sub-§4-A, as amended by PL 1999, c. 401, Pt. KKK, §1 and affected by §10 and c. 531, Pt. F, §2, is further amended to read:

4-A. Payment for drugs provided. The commissioner may establish the amount of payment to be made by recipients toward the cost of prescription or nonprescription drugs, medication and medical supplies furnished under this program provided that, for persons at or below 185% of the federal poverty line, the total cost for any covered purchase of a prescription or nonprescription drug or medication provided under the basic component of the program or the total costs of any covered purchase of a generic prescription drug or medication under the supplemental component of the program does not exceed 20% of the price allowed for that prescription under program rules or \$2, whichever is greater. For the supplemental component of the program except for the covered price of a generic prescription

2 drug or medication, the total cost paid by the program for any
covered purchase of a prescription drug or medication may not
4 exceed \$2. For the supplemental component of the program, the
total cost paid by the individual for any covered purchase of a
6 prescription drug or medication may not exceed the cost of the
program for that drug or medication minus the \$2 paid by the
8 program. After 2001, the commissioner shall establish an annual
limit on the costs paid by the eligible persons for covered
prescriptions or nonprescription drugs or medications, after
10 which the program must pay 80% of the costs of all covered
prescriptions or nonprescription drugs or medications. The
12 annual limit for 2001 is \$1,000. The commissioner may adjust the
annual limit as necessary to operate the program within the
14 program budget;

16 **Sec. A-2. 22 MRSA §254, sub-§10, ¶B**, as amended by PL 1999, c.
551, §1, is further amended to read:

18 B. Nineteen years of age or older and determined to be
20 disabled by the standards of the federal social security
program; and

22 **Sec. A-3. 22 MRSA §254, sub-§11**, as enacted by PL 1999, c.
24 551, §2, is amended to read:

26 **11. Retention of eligibility.** A person who was eligible
for the program at any time from August 1, 1998 to July 31, 1999
28 and who does not meet the requirements of subsection 10 retains
eligibility for the program until February 28, 2001 if that
30 person is a member of a household of an eligible person; and

32 **Sec. A-4. 22 MRSA §254, sub-§12** is enacted to read:

34 **12. Funds not to lapse.** Funds appropriated from the
General Fund to carry out the purpose of this section may not
36 lapse, but must be carried forward.

38 **Sec. A-5. 22 MRSA §3174-G, sub-§1-B**, as enacted by PL 1999, c.
401, Pt. KKK, §3 and affected by §10, is amended to read:

42 **1-B. Funding.** State funds necessary to implement
subsection 1-A must include state-funds-appropriated General Fund
appropriations and Other Special Revenue allocations from the
44 Fund for a Healthy Maine to the elderly low-cost drug program
operated pursuant to section 254, including rebates received in
46 that program from pharmaceutical manufacturers, that are no
longer needed in that program as a result of the Medicaid waiver
48 obtained pursuant to subsection 1-A; ~~and, effective in fiscal
year 2000-01, no less than \$5,000,000 received from the tobacco
50 settlement in State of Maine, v. Philip Morris, et al., Kennebec
County Superior Court, Docket No. CV-97-134.~~

2 **Sec. A-6. PL 1999, c. 401, Pt. KKK, §§8 and 9** are repealed.

4 **Sec. A-7. Allocation.** The following funds are allocated from
6 Other Special Revenue funds to carry out the purposes of this
Part.

8 **2000-01**

10 **HUMAN SERVICES,**
12 **DEPARTMENT OF**

14 **Low-cost Drugs to Maine's**
 Elderly

16 All Other \$10,000,000

18 Provides for the allocation of funds from
20 the Fund for a Healthy Maine to expand the
supplemental program to cover 80% of the
22 cost of generic drugs not covered in the
basic program and to institute a
24 catastrophic component whereby the
department would establish an annual limit
26 on the total costs to be paid by eligible
persons in the program.' '

28 **FISCAL NOTE**

30 This amendment strikes the General Fund appropriations in
32 the bill totaling \$816,904 and the Federal Expenditures Fund
allocation in the bill of \$19,819 in fiscal year 2000-01.

34 This amendment also adds an Other Special Revenue funds
36 allocation of \$10,000,000 from the Fund for a Healthy Maine in
fiscal year 2000-01 for the Department of Human Services to
38 expand access to drugs and medicines under the Elderly Low-cost
Drug Program. This bill also repeals an allocation of Other
40 Special Revenue funds from the Fund for a Healthy Maine of
\$5,000,000 authorized in PL 1999, c.401, Pt KKK, subsection 8.

42 As amended, this bill provides an Other Special Revenue
44 funds allocation of \$10,000,000 from the Fund for a Healthy Maine
in fiscal year 2000-01.

46 **SUMMARY**

HOUSE AMENDMENT "B" to COMMITTEE AMENDMENT "A" to S.P. 1026,
L.D. 2599

2 This amendment strikes that portion of the bill, as amended
by Committee Amendment "A," that establishes the Maine
4 Prescription Drug Fair Pricing Act. This amendment instead
expands access to drugs and medicines under the elderly low-cost
6 drug program through a benefit for generic drugs and a limit on
out-of-pocket expenses in the supplemental component after which
8 the program will begin to pay 80% of the costs. This amendment
provides that balances in the elderly low-cost drug program do
not lapse but carry forward to the next year. This amendment
10 adds an allocation section to the bill.

12
14 SPONSORED BY *Henry Lovett*
(Representative LOVETT)

16 TOWN: Scarborough
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