

MAINE STATE LEGISLATURE

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STATE OF MAINE
SENATE
119TH LEGISLATURE
SECOND REGULAR SESSION

SENATE 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 F, §2, is repealed and the following enacted in its place:

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, medications and medical supplies furnished under this program as follows:

A. For any covered purchase of a prescription or nonprescription drug or medication provided under the basic component of the program or any covered purchase of a generic prescription drug or medication under the supplemental component of the program:

(1) For a person at or below 100% of the federal poverty line, the total cost paid by the individual does not exceed 20% of the price allowed for that

2 prescription under program rules, or \$2, whichever is
3 greater;

4 (2) For a person above 100% but at or below 200% of
5 the federal poverty line, the total cost paid by the
6 individual does not exceed 50% of the price allowed for
7 that prescription under program rules, or \$2, whichever
8 is greater; and

10 (3) For a person above 200% but at or below 300% of
11 the federal poverty line, the total cost paid by the
12 individual does not exceed 80% of the price allowed for
13 that prescription under program rules, or \$2, whichever
14 is greater; and

16 B. For the supplemental component of the program, except
17 for the covered purchase of a generic prescription drug or
18 medication, the total cost paid by the program for any
19 covered purchase of a prescription drug or medication may
20 not exceed \$2. For the supplemental component of the
21 program, the total cost paid by the individual for any
22 covered purchase of a prescription drug or medication may
23 not exceed the cost of the program for that drug or
24 medication less the \$2 paid by the program.

26 After 2001, the commissioner shall establish an annual limit on
27 the costs paid by eligible persons for covered prescription or
28 nonprescription drugs or medications, after which the program
29 must pay 80% of the costs of all covered prescription or
30 nonprescription drugs or medications. The annual limit for 2001
31 is \$1,000 for a person at or below 100% of the federal poverty
32 level; \$1,500 for a person above 100% but at or below 200% of the
33 federal poverty level; and \$2,000 for a person above 200% but at
34 or below 300% of the federal poverty level. The commissioner may
35 adjust the annual limit as necessary to operate the program
36 within the program budget;

38 **Sec. A-2. 22 MRSA §254, sub-§10, ¶B,** as amended by PL 1999, c.
39 551, §1, is further amended to read:

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

44 **Sec. A-3. 22 MRSA §254, sub-§11,** as enacted by PL 1999, c.
45 551, §2, is amended to read:

48 **11. Retention of eligibility.** A person who was eligible
49 for the program at any time from August 1, 1998 to July 31, 1999
50 and who does not meet the requirements of subsection 10 retains

eligibility for the program until February 28, 2001 if that
person is a member of a household of an eligible person; and

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

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

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:

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
Fund for a Healthy Maine to the elderly low-cost drug program
operated pursuant to section 254, including rebates received in
that program from pharmaceutical manufacturers, that are no
longer needed in that program as a result of the Medicaid waiver
obtained pursuant to subsection 1-A, ~~and, effective in fiscal
year 2000-01, no less than \$5,000,000 received from the tobacco
settlement in State of Maine, v. Philip Morris, et al., Kennebec
County Superior Court, Docket No. CV-97-134.~~

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

Sec. A-7. Appropriation. The following funds are appropriated
from the General Fund to carry out the purposes of this Part.

2000-01

**ADMINISTRATIVE AND FINANCIAL
SERVICES, DEPARTMENT OF**

Bureau of Revenue Services

Positions - Legislative Count	(6,000)
Personal Services	\$154,943
All Other	172,267

Provides funds for 2 Tax
Examiner positions, 2 Clerk
III positions and 2 Clerk
Typist II positions, related
expenses, computer
programming costs, printing
costs and postage as a result
of the expansion in

2 eligibility for the elderly
low-cost drug program.

4 **DEPARTMENT OF ADMINISTRATIVE
AND FINANCIAL SERVICES**

6 **TOTAL**

\$327,210

8
9 **Sec. A-8. Allocation.** The following funds are allocated from
10 Other Special Revenue funds to carry out the purposes of this
11 Part.

12
13 **2000-01**

14 **HUMAN SERVICES, DEPARTMENT OF**

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

18 All Other \$25,000,000

20 Provides funds from the Fund
21 for a Healthy Maine to expand
22 the eligibility of the
23 Elderly Low-cost Drug Program
24 from 185% to 300% of poverty.'

26 **FISCAL NOTE**

28
29 This amendment reduces the General Fund cost of the bill by
30 \$489,694 in fiscal year 2000-01. This amendment replaces the
31 General Fund appropriations in the bill totaling \$816,904 with a
32 General Fund appropriation of \$327,210 in fiscal year 2000-01 for
33 the Bureau of Revenue Services for the costs associated with
34 expanding the eligibility for the elderly low-cost drug program.

36 This amendment also strikes the Federal Expenditures Fund
37 allocation of \$19,819 in fiscal year 2000-01.

38
39 This amendment also adds an Other Special Revenue funds
40 allocation of \$25,000,000 from the Fund for a Healthy Maine in
41 fiscal year 2000-01 for the Department of Human Services to
42 expand access to drugs and medicines for persons at or below 300%
43 of the federal poverty level under the Elderly Low-cost Drug
44 Program. This bill also repeals an allocation of Other Special
45 Revenue funds from the Fund for a Healthy Maine of \$5,000,000
46 authorized in PL 1999, c. 401, Pt KKK, subsection 8.

48 As amended, this bill provides General Fund appropriations
of \$327,210 and Other Special Revenue fund allocations of

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\$25,000,000 from the Fund for a Healthy Maine in fiscal year
2000-01.

SUMMARY

This amendment strikes that portion of the bill, as amended
by Committee Amendment "A," that establishes the Maine
Prescription Drug Fair Pricing Act. This amendment instead
increases the eligibility for the basic component of the elderly
low-cost drug program to persons at or below 300% of the federal
poverty level, places a maximum on the out-of-pocket cost to
those persons based on a sliding scale and expands access to
drugs and medications through a benefit for generic drugs and a
limit on out-of-pocket expenses in the supplemental component,
after which the program will pay 80% of the costs.

The amendment provides an allocation from the Fund for a
Healthy Maine and requires balances in the elderly low-cost drug
program to be carried forward.

SPONSORED BY:
(Senator LIBBY)

COUNTY: York

