

MAINE STATE LEGISLATURE

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M.S.

L.D. 961

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HEALTH AND HUMAN SERVICES

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
120TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 742, L.D. 961, Bill, "An Act to Expand Benefits Under the Elderly Low-cost Drug Program"

Amend the bill in section 1 in paragraph A in the last 2 lines (page 1, lines 13 and 14 in L.D.) by striking out the following: "and supplies related to the treatment of diabetes"

Further amend the bill by inserting after section 1 the following:

'Sec. 2. 22 MRSA §254, sub-§4-A, as amended by PL 1999, c. 731, Pt. TT, §7, is repealed and the following enacted in its place:

4-A. Payment for drugs provided. The commissioner shall adopt rules to establish the amount of payment to be made by recipients toward the cost of prescription or nonprescription drugs and medical supplies furnished under this program as provided in this subsection. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter II-A.

A. The total cost for any covered purchase of a prescription or nonprescription drug or medication provided under the basic component of the program, except as provided in paragraph C, or the total cost of any covered purchase of a generic prescription drug under the supplemental component of the program may not exceed 20% of the price allowed for that prescription under program rules or \$2, whichever is greater.

COMMITTEE AMENDMENT

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2 B. For the supplemental component of the program, except as
4 otherwise provided in this subsection, the total cost paid
6 by the individual for any covered purchase of a prescription
8 drug may not exceed the cost allowed by the program for that
10 drug minus the \$2 paid by the program. The commissioner
12 shall establish annual limits on the costs incurred by
14 eligible household members for covered prescription or
16 nonprescription drugs, after which the program must pay 80%
18 of the cost of all prescription or nonprescription drugs
20 covered by the supplemental component of the program.

12 C. The total cost for any covered purchase of a
14 prescription or nonprescription drug provided under the
16 basic component of the program for the treatment of
18 depression may not exceed 50% of the price allowed for that
20 drug or medication under program rules.

18 D. The commissioner shall set the limits on the costs
20 incurred by eligible household members for covered
22 prescription and nonprescription drugs by rule as necessary
24 to operate the program within the program budget.

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

26 **2001-02 2002-03**
28 **HUMAN SERVICES, DEPARTMENT OF**
30 **Low-Cost Drugs to Maine's Elderly**

32	All Other	\$3,146,405	\$3,903,589
34	Provides funds to add		
36	depression as a disease		
38	covered under the basic		
	component of the elderly		
	low-cost drug program.'		

40 Further amend the bill by inserting at the end before the
42 summary the following:

44 **FISCAL NOTE**

46 **2001-02 2002-03**

H. 4 S.

APPROPRIATIONS/ALLOCATIONS

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General Fund \$3,146,405 \$3,903,589

The elderly low-cost drug program within the Department of Human Services will require additional General Fund appropriations of \$3,146,405 and \$3,903,589 in fiscal years 2001-02 and 2002-03, respectively, to add depression as a disease covered under the basic component of the elderly low-cost drug program with a 50% copayment. These estimates assume that approximately 18.9% of the 45,000 eligible individuals for the elderly low-cost drug program will require prescription drugs and medications for the treatment of depression, that the cost per person for the prescription drugs and medications will average \$1,206 in fiscal year 2001-02 and \$1,387 in fiscal year 2002-03, and that the drug manufacturers will provide a rebate of 18% of the total program cost of this new disease category. The cost of this measure may be higher or lower depending on actual experience.'

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SUMMARY

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This amendment provides a maximum copayment of 50% for prescription and nonprescription drugs for the treatment of depression. The amendment removes supplies related to diabetes from the expansion of the basic component of the elderly low-cost drug program as these are addressed in other legislation. The amendment provides that rules adopted regarding copayments by recipients in the elderly low-cost drug program are routine technical rules. The amendment adds an appropriation and a fiscal note to the bill.