

MAINE STATE LEGISLATURE

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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. 1334, L.D. 1790, Bill, "An Act to Create the Healthy Maine Prescription Program"

Amend the bill by striking out all of sections 10 and 11 and inserting in their place the following:

Sec. 10 Expenditures for prescription drugs. Notwithstanding any other provision of law, the Department of Human Services is authorized to utilize funds appropriated or allocated for prescription drug coverage in the Bureau of Medical Services program, the Medical Care - Payments to Providers program and the Low-cost Drugs to Maine's Elderly program to support the costs of the Healthy Maine Prescription Program. This authorization is limited to fiscal year 2000-01 and fiscal year 2001-02 only.

Sec. 11. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	2000-01	2001-02	2002-03
HUMAN SERVICES, DEPARTMENT OF			
Healthy Maine Prescription Program			
All Other	\$259,726	\$1,777,094	\$787,968
Provides one-time funds to be deposited in the			

A. 23

COMMITTEE AMENDMENT "A" to H.P. 1334, L.D. 1790

2 Administration - Attorney
 3 General Other Special Revenue
 4 program; the Bureau of
 5 Medical Services Other
 6 Special Revenue program; the
 7 Bureau of Family Independence
 8 - Regional Other Special
 9 Revenue program; the OMB
 10 Operations - Regional Other
 11 Special Revenue program; and
 12 the Medical Care - Payments
 13 to Providers Other Special
 14 Revenue program to support a
 15 portion of the costs of the
 16 Healthy Maine Prescription
 17 Program. Any balance
 18 remaining on June 30, 2001
 19 may not lapse but must be
 20 carried forward to fiscal
 21 year 2001-02 to be used for
 22 the same purposes.

24 **Maine Rx Program**

26 All Other (\$354,144)
 28 Deappropriates one-time funds
 29 from an available balance
 30 within the Maine Rx Program
 31 to provide funding for the
 32 Healthy Maine Prescription
 33 Program.

36 **DEPARTMENT OF HUMAN SERVICES**
 37 **TOTAL** (\$94,418) \$1,777,094 \$787,968

40 **Sec. 12. Allocation.** The following funds are allocated from Other
 41 Special Revenue funds to carry out the purposes of this Act.

42
 43
 44

	2000-01	2001-02	2002-03
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46 **ATTORNEY GENERAL, DEPARTMENT**
 47 **OF**

48 **Administration - Attorney General**
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COMMITTEE AMENDMENT

COMMITTEE AMENDMENT "A" to H.P. 1334, L.D. 1790

2	Positions - Legislative Count		(1.000)	(1.000)
	Personal Services		\$56,781	\$62,411
4	All Other		6,219	3,109
6	Allocates funds for the establishment of one Assistant Attorney General position and related costs to handle matters associated with the Healthy Maine Prescription Program.			
12	DEPARTMENT OF THE ATTORNEY GENERAL			
14	TOTAL		<u>\$63,000</u>	<u>\$65,520</u>
16				
18	HUMAN SERVICES, DEPARTMENT OF			
20	Bureau of Family Independence - Regional			
22	Positions - Legislative Count		(2.000)	(2.000)
24	Personal Services		\$69,368	\$72,142
26	All Other		173,485	86,205
28	TOTAL		<u>\$242,853</u>	<u>\$158,347</u>
30	Allocates funds for the establishment of 2 Eligibility Specialist positions for the Healthy Maine Prescription Program.			
34				
36	Bureau of Medical Services			
38	Positions - Legislative Count		(6.000)	(6.000)
40	Personal Services	\$37,098	\$200,198	\$208,536
42	All Other	137,313	393,738	396,204
44	TOTAL	<u>\$174,411</u>	<u>\$593,936</u>	<u>\$604,740</u>
46	Allocates funds for the establishment of 4 Clerk Typist III positions; one Medical Care Coordinator position; and one Social Services Program Manager			
48				

position for the Healthy
Maine Prescription Program.

Medical Care - Payments to Providers

All Other	\$85,315	\$2,675,272	\$4,613,564
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Allocates funds for payments
to pharmacy providers under
the Healthy Maine
Prescription Program.

OMB Operations - Regional

Positions - Legislative Count	(2,000)		(2,000)
Personal Services	\$51,692		\$53,760
All Other	10,000		3,120
TOTAL	\$61,692		\$56,880

Allocates funds for the
establishment of 2 Clerk
Typist II positions for the
Healthy Maine Prescription
Program.

**HUMAN SERVICES, DEPARTMENT OF
TOTAL**

	\$259,726	\$3,573,753	\$5,433,531
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**TOTAL
ALLOCATIONS**

	\$259,726	\$3,636,753	\$5,499,051
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Sec. 13. Allocation. The following funds are allocated from the Federal Expenditures Fund to carry out the purposes of this Act.

	2000-01	2001-02	2002-03
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HUMAN SERVICES, DEPARTMENT OF

**Bureau of Family Independence -
Regional**

Positions - Legislative Count	(2,000)		(2,000)
Personal Services	\$69,368		\$72,142
All Other	173,485		86,205
TOTAL	\$242,853		\$158,347

COMMITTEE AMENDMENT "A" to H.P. 1334, L.D. 1790

Allocates federal matching funds for the establishment of 2 Eligibility Specialist positions for the Healthy Maine Prescription Program.

Bureau of Medical Services

Positions - Legislative Count		(5.000)	(5.000)
Personal Services	\$37,098	\$200,198	\$208,536
All Other	186,938	811,213	878,112
TOTAL	\$224,036	\$1,011,411	\$1,086,648

Allocates federal matching funds for the establishment of one Medical Care Coordinator position; 2 Provider Relations Specialist positions; one Financial Analyst position; and one Social Services Program Specialist I position for the Healthy Maine Prescription Program.

Medical Care - Payments to Providers

All Other	\$166,685	\$5,302,280	\$9,191,236
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Allocates federal matching funds for payments to pharmacy providers under the Healthy Maine Prescription Program.

OMB Operations - Regional

Positions - Legislative Count		(2.000)	(2.000)
Personal Services		\$51,693	\$53,760
All Other		10,000	3,120
TOTAL		\$61,693	\$56,880

Allocates federal matching funds for the establishment of 2 Clerk Typist II positions for the Healthy Maine Prescription Program.

DEPARTMENT OF HUMAN SERVICES

TOTAL \$390,721 \$6,618,237 \$10,493,111'

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

FISCAL NOTE

	2000-01	2001-02	2002-03
APPROPRIATIONS/ALLOCATIONS			
General Fund	(\$94,418)	\$1,777,094	\$787,968
Other Funds	650,447	10,254,990	15,992,162
REVENUES			
Other Funds	\$390,721	\$8,477,895	\$15,204,196

The total cost to implement the Healthy Maine Prescription Program is estimated to be \$650,447 in fiscal year 2000-01, \$10,254,990 in fiscal year 2001-02 and \$15,992,162 in fiscal year 2002-03. Based on projections of revenue generated by rebates and estimated state share expenditures, this program will require General Fund appropriations of \$259,726, \$1,777,094 and \$787,968 in fiscal year 2000-01, fiscal year 2001-02 and fiscal year 2002-03, respectively, to supplement other funds supporting the program. This bill includes a General Fund deappropriation of \$354,144 in fiscal year 2000-01 from an available balance in the Maine Rx Program. The resulting net General Fund cost of this bill over that 3-year period is \$2,470,644.

Committee Amendment "A" to L.D. 300, the "Current Services" Budget bill, contains General Fund appropriations of \$200,000 in fiscal year 2000-01, \$1,700,000 in fiscal year 2001-02 and \$600,000 in fiscal year 2002-03 to reserve funding for the establishment of the Healthy Maine Prescription Program.

This bill includes Other Special Revenue allocations of \$259,726 in fiscal year 2000-01, \$3,636,753 in fiscal year 2001-02 and \$5,499,051 in fiscal year 2002-03. These allocations represent the state share of the cost of the program through a combination of dedicated revenue that results from transfers of the General Fund appropriation contained in the bill and from the

2 state share of revenue generated by rebates. These allocations
also include the federal share of the cost to the Department of
4 the Attorney General. The state share of the rebate revenue is
estimated to be \$1,828,159 in fiscal year 2001-02 and \$4,678,324
6 in fiscal year 2002-03. The total amount of rebate revenue is
estimated to be \$5,451,494 in fiscal year 2001-02 and \$13,998,576
8 in fiscal year 2002-03. It is estimated that the revenue
generated from rebates will be sufficient to support the total
10 cost of the state share of the program beginning in fiscal year
2003-04.

12 This bill also includes Federal Expenditures Fund
allocations of \$390,721 in fiscal year 2000-01, \$6,618,237 in
14 fiscal year 2001-02 and \$10,493,111 in fiscal year 2002-03 to
authorize expenditure of the federal share of program costs.

16 The total cost of the Healthy Maine Prescription Program is
18 estimated to be \$18,213,821 in fiscal year 2003-04 and
\$20,702,981 in fiscal year 2004-05 with the total state cost of
20 the program estimated to be \$6,211,092 and \$7,045,372,
respectively.

22 During fiscal years 2000-01 and 2001-02, the Department of
24 Human Services is authorized to utilize amounts appropriated or
allocated for prescription drugs in the Bureau of Medical
26 Services program, the Medical Care - Payments to Providers
program and the Low-cost Drugs to Maine's Elderly program to
28 support the establishment of the elderly low-cost drug program as
part of the Healthy Maine Prescription Program. This
30 authorization will eliminate the need for a planned transfer of
funds by financial order in fiscal year 2000-01 from the Medical
32 Care - Payments to Providers program to the Low-cost Drugs to
Maine's Elderly program.

34 The Governor's proposed supplemental budget, L.D. 855, as
36 amended by the change package dated May 8, 2001, proposes to
transfer funding for the Low-cost Drugs to Maine's Elderly
38 program to the Medical Care - Payments to Providers program
beginning in fiscal year 2001-02.

40 The Bureau of Revenue Services within the Department of
42 Administrative and Financial Services may incur some minor
additional costs associated with the implementation of the
44 Healthy Maine Prescription Program. These costs can be absorbed
within the bureau's existing budgeted resources.'

COMMITTEE AMENDMENT "A" to H.P. 1334, L.D. 1790

SUMMARY

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This amendment adds language authorizing expenditures for prescription drugs, adds an appropriation section and allocation sections and adds a fiscal note.