MAINE STATE LEGISLATURE

The following document is provided by the

LAW AND LEGISLATIVE DIGITAL LIBRARY

at the Maine State Law and Legislative Reference Library

http://legislature.maine.gov/lawlib



Reproduced from scanned originals with text recognition applied (searchable text may contain some errors and/or omissions)

۲,	1 the state of the
Ø,	* *

DATE:	March	25,	2002	(Filing	No.	s-506)
-------	-------	-----	------	---------	-----	--------

HEALTH AND HUMAN SERVICES

8	Repo	rt.	ed	bv:

Reproduced and distributed under the direction of the Secretary of the Senate.

12

14

16

2

6

STATE OF MAINE SENATE 120TH LEGISLATURE SECOND REGULAR SESSION

18

20

COMMITTEE AMENDMENT "to S.P. 777, L.D. 2113, Bill, "An Act to Improve Access to Prescription Drugs for the Elderly"

Amend the bill by striking out the title and substituting the following:

24

26

28

'An Act to Improve Access to Prescription Drugs for Persons who are Elderly or Disabled'

Further amend the bill by inserting after the title and before the enacting clause the following:

30

32

'Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

34

36

38

Whereas, the inability of persons who are elderly and disabled to purchase prescription drugs is a risk to the health of those persons and a detriment to the families, communities and businesses of this State; and

Whereas, the availability of prescription drugs for this population will strengthen the State as a whole; and

42

44

46

Whereas, a Medicaid waiver could offer the State the opportunity to match state funds with federal funds and thereby expand the prescription drug program for elderly and disabled persons beginning as soon as a waiver is granted; and

Page 1-LR3458(2)

2	Whereas, in the judgment of the Legislature, these facts
	create an emergency within the meaning of the Constitution of
4	Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and
6	safety; now, therefore,'
Ü	sarety, now, therefore,
8	Further amend the bill by striking out all of sections 3, 4
	and 5 and inserting in their place the following:
10	,
	'Sec. 3. 22 MRSA §3174-G, sub-§1-C is enacted to read:
12	
	1-C. Prescription drug waiver program. Except as provided
14	in paragraph G, the department shall apply to the federal Centers
	for Medicare and Medicaid Services for a waiver or amend a
16	pending or current waiver under the Medicaid program authorizing
	the department to use federal matching dollars to enhance the
18	prescription drug benefits available to persons who qualify for
10	the elderly low-cost drug program established under section 254.
20	The program created pursuant to the waiver is the prescription
20	drug waiver program, referred to in this subsection as the
22	"program."
	programs
24	A. As funds permit, the department has the authority to
	establish income eligibility levels for the program up to
26	and including 200% of the federal nonfarm income official
20	poverty level, except that for individuals in households
28	that spend at least 40% of income on unreimbursed direct
20	medical expenses for prescription medications, the income
30	eligibility level is increased by 25%.
•	<u>01191211107 10 101 10 1101 0000 07 10 00</u>
32	B. To the extent reasonably achievable under the federal
J.	waiver process, the program must include the full range of
34	prescription drugs provided under the Medicaid program on
.	the effective date of this subsection and must limit
36	copayments and cost sharing for participants. If cost
	sharing above the nominal cost sharing for the Medicaid
38	program is determined to be necessary, the department may
	use a sliding scale to minimize the financial burden on
40	lower-income participants.
42	C. Coverage under the program may not be less beneficial to
	persons who meet the qualifications of section 254 than the
44	coverage available under that section on September 30, 2001.
46	D. In determining enrollee benefits under the program, to
	the extent possible, the department shall give equitable
48	treatment to coverage of prescription medications for
	cancer, Alzheimer's disease and behavioral health.

Page 2-LR3458(2)

E. The department is authorized to provide funding for the program by using funds appropriated or allocated to provide prescription drugs under sections 254 and 258. The department is authorized to amend the waiver or 6 adjust program requirements as necessary to take advantage of enhanced federal matching funds that may become available. 8 10 G. If, upon thorough analysis, the department determines that a waiver under this subsection is not feasible or would not significantly benefit participants in the elderly 12 low-cost drug program, the department may decide not to 14 pursue the waiver. Within 30 days of a decision not to proceed with a waiver and before taking action on that 16 decision, the department shall report to the joint standing committee of the Legislature having jurisdiction over health 18 and human services matters and shall provide a detailed analysis of the reasons for reaching that decision. 20 Sec. 4. Report. The Department of Human Services shall report 22 to the joint standing committee of the Legislature having jurisdiction over health and human services matters regarding the 24 status of the waiver request pursuant to the Maine Revised Statutes, Title 22, section 3174-G, subsection 1-C on or before January 12, 2003. The report must include information on cost 26 sharing, including copayments, under the waiver program and on 28 benefits for enrollees in the program. 30 Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.' 32 Further amend the bill by inserting at the end before the 34 summary the following: 36

FISCAL NOTE

The Department of Human Services will incur some minor additional costs to prepare and submit an elderly prescription 40 drug waiver to the federal Centers for Medicare and Medicaid

38

42

44

46

48

Services (formerly HCFA). These costs can be absorbed within the department's existing budgeted resources.

The bill authorizes the department to use any federal funds secured under an approved waiver to enhance eligibility and benefits under the current elderly low-cost drug program. The fiscal impact of the waiver will depend on the plan submitted and approved by the Federal Government. If the waiver is approved as

Page 3-LR3458(2)

authorized it will result in an increase in Federal Expenditure Funds and possibly a reduction in General Fund spending.'

4

2

SUMMARY

6

8

10

12

14

16

18

20

22

This amendment directs the Department of Human Services to apply for a Medicaid waiver to obtain federal matching funds to improve the provision of prescription drugs benefits to persons who are elderly or disabled who qualify for the elderly low-cost drug program. It retains the provisions of the bill that allow the department to use funds appropriated for the elderly low-cost drug program to match federal Medicaid funds when the waiver is granted. It allows cost sharing on a sliding scale. It retains the provisions of the bill that allow income eligibility to be increased to 200% of the nonfarm income official poverty level and adds an upward adjustment for persons with high spending for It requires, to the extent possible, prescription drugs. equitable consideration of drugs for cancer, Alzheimer's disease and behavioral health. It requires a report to the Joint Standing Committee on Health and Human Services by January 12, It adds an emergency preamble and emergency clause. also adds a fiscal note to the bill.

Page 4-LR3458(2)