

MAINE STATE LEGISLATURE

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SMC
R. OFS.

L.D. 346

Date: 6/7/11

(Filing No. H-563)

Majority

HEALTH AND HUMAN SERVICES

Reproduced and distributed under the direction of the Clerk of the House.

STATE OF MAINE

HOUSE OF REPRESENTATIVES

125TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 272, L.D. 346, Bill, "An Act To Reimburse Pharmacies under the MaineCare Program Based on Wholesale Acquisition Costs"

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

'An Act Regarding Pharmacy Reimbursement in MaineCare'

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 22 MRSA §3173-C, sub-§2, as amended by PL 2007, c. 240, Pt. GGG, §1, is further amended to read:

2. Prescription drug services. Except as provided in this subsection and subsections 3 and 4, a payment of pharmacy shall charge a MaineCare member \$3.00 for each drug is to be collected from the MaineCare member for each drug prescription that is an approved MaineCare service. The department shall adopt and follow procedures to ensure compliance with the requirements of 42 United States Code, Section 1396o-1. A pharmacy that has followed the procedures adopted by the department to ensure compliance with the requirements of 42 United States Code, Section 1396o-1 may refuse to dispense the drug if the copayment is not paid. Copayments must be capped at \$30 per month per member. If a member is prescribed a drug in a quantity specifically intended by the provider or pharmacist, for the recipient's health and welfare, to last less than one month, only one payment for that drug for that month is required.

Sec. 2. 22 MRSA §3173-C, sub-§8 is enacted to read:

8. Notification. The department shall notify each MaineCare member who is subject to the copayment requirement in subsection 2 of the copayment requirements, any exemptions and limitations prior to coding the member's information for required copayments and shall notify the member again during annual recertification of eligibility.

Sec. 3. Review of cost of dispensing a prescription drug; report. The Department of Health and Human Services shall review the cost of dispensing a

COMMITTEE AMENDMENT

R.O.F.S.

COMMITTEE AMENDMENT "A" to H.P. 272, L.D. 346

1 prescription drug under the MaineCare program. By January 15, 2012, the department
2 shall provide a report with recommendations to the Joint Standing Committee on Health
3 and Human Services. In performing the review the department shall:

4 1. Provide opportunity for input to pharmacists and pharmacies licensed in the State
5 and their representatives;

6 2. Consider changing copayments and dispensing fees under the MaineCare
7 program;

8 3. Consider all recent federal studies of formulae for pharmacy reimbursement and
9 information available from the United States Department of Health and Human Services,
10 Centers for Medicare and Medicaid Services; and

11 4. Review current and pending pharmacy reimbursement formulae under federal
12 Medicaid law.

13 **Sec. 4. Appropriations and allocations.** The following appropriations and
14 allocations are made.

15 **HEALTH AND HUMAN SERVICES, DEPARTMENT OF (FORMERLY DHS)**

16 **Bureau of Medical Services 0129**

17 Initiative: Appropriates and allocates funds on a one-time basis for the eligibility and
18 payment system upgrades and other requirements needed to implement mandatory
19 prescription drug copayments.

20	GENERAL FUND	2011-12	2012-13
21	All Other	\$27,500	\$0
22			
23	GENERAL FUND TOTAL	<u>\$27,500</u>	<u>\$0</u>

24	FEDERAL EXPENDITURES FUND	2011-12	2012-13
25	All Other	\$27,500	\$0
26			
27	FEDERAL EXPENDITURES FUND TOTAL	<u>\$27,500</u>	<u>\$0</u>

28 **Sec. 5. Effective date.** Those sections of this Act that amend the Maine Revised
29 Statutes, Title 22, section 3173-C, subsection 2 and enact Title 22, section 3173-C,
30 subsection 8 take effect upon amendment and federal approval of the Medicaid state plan
31 but no earlier than October 1, 2011.'

32 **SUMMARY**

33 This amendment is the majority report of the committee. This amendment replaces
34 the bill. The amendment:

35 1. Authorizes pharmacies to charge MaineCare members copayments for
36 prescription drugs dispensed and allows pharmacies to refuse to dispense if copayments

R. OF S.

COMMITTEE AMENDMENT "A" to H.P. 272, L.D. 346

- 1 are not paid as long as certain procedures are in place and are followed by the Department
- 2 of Health and Human Services and the pharmacies;
- 3 2. Adds a provision requiring notice to MaineCare members of copayment
- 4 requirements;
- 5 3. Provides an effective date for the statutory changes upon amendment and federal
- 6 approval of the Medicaid state plan but no earlier than October 1, 2011;
- 7 4. Directs the Department of Health and Human Services to review the cost of
- 8 dispensing a prescription drug under the MaineCare program, to review other information
- 9 available on pharmacy reimbursement and to report by January 15, 2012 to the Joint
- 10 Standing Committee on Health and Human Services with recommendations regarding the
- 11 dispensing fee; and
- 12 5. Adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



125th MAINE LEGISLATURE

LD 346

LR 978(02)

An Act To Reimburse Pharmacies under the MaineCare Program Based on Wholesale Acquisition Costs

Fiscal Note for Bill as Amended by Committee Amendment "A"
Committee: Health and Human Services
Fiscal Note Required: Yes

Fiscal Note

Potential current biennium savings - General Fund

	FY 2011-12	FY 2012-13	Projections FY 2013-14	Projections FY 2014-15
Net Cost (Savings)				
General Fund	\$27,500	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$27,500	\$0	\$0	\$0
Federal Expenditures Fund	\$27,500	\$0	\$0	\$0

Fiscal Detail and Notes

Provides a one-time General Fund appropriation and Federal Expenditures Fund allocation to the Office of MaineCare Service in the Department of Health and Human Services for eligibility and payment system upgrades and to meet other requirements needed to implement a mandatory MaineCare prescription drug co-payment system. Also assumes that implementation of a mandatory prescription drug co-payment system that will result in prescription drugs not being dispensed because of failure to pay co-payments will result in a decrease in MaineCare prescription drug utilization and spending that cannot be quantified at this time.