

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

H

1

HOUSE BILL 669

Short Title: Prescription Drug Assistance Funds. (Public)

Sponsors: Representatives Harrington, Carpenter, Johnson, Cansler (Primary Sponsors); Allred, Arnold, Barnhart, Blust, Capps, Culp, Daughtry, Davis, Dockham, Ellis, Gillespie, Gulley, Hilton, Holmes, Kiser, McCombs, Mitchell, Morris, Rayfield, Russell, Sexton, Sherrill, Shubert, Teague, Walend, Weatherly, and C. Wilson.

Referred to: Rules, Calendar, and Operations of the House.

March 19, 2001

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A PRESCRIPTION DRUG ASSISTANCE PROGRAM FOR QUALIFIED AGED PERSONS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is established in the Department of Health and Human Services the Prescription Drug Assistance Program for Qualified Aged Persons. The Program shall be established in accordance with this section. Program benefits shall be available to individuals who are:

- (1) Over the age of 65,
- (2) Not eligible for full Medicaid benefits, and
- (3) Enrolled in Medicaid as Qualified Medicare Beneficiaries (QMBs) or as Specified Low-Income Medicare Beneficiaries (SLIMBs).

SECTION 1.(b) All medical conditions for which prescription drugs are prescribed for Program beneficiaries are covered.

SECTION 1.(c) Program benefits for each eligible individual shall not exceed the average annual per person Medicaid cost for prescription drugs for aged persons.

SECTION 1.(d) Each individual receiving prescription drugs under the Program shall pay a co-payment for each prescription equal to the amount of the Medicaid dispensing fee plus the claims processing fee.

SECTION 1.(e) As a condition of participating in the Program, pharmaceutical manufacturing companies shall provide a rebate for each of the manufacturer's prescription drugs purchased under the Program. The rebate shall not

1 exceed the federally established minimum rebate percentage for participation in the
2 State Medicaid program.

3 **SECTION 1.(f)** The Department shall not establish a formulary of
4 prescription drugs for the Program, but may establish a drug utilization review process.

5 **SECTION 1.(g)** The Department shall ensure that benefits of the Program
6 are coordinated with other State and federal prescription drug assistance programs and,
7 to the extent possible, the Program shall be the payor of last resort.

8 **SECTION 1.(h)** Nothing in this act shall be construed as obligating the
9 General Assembly to appropriate funds for the Prescription Drug Assistance Program
10 for Qualified Aged Persons or as entitling any person to benefits under the Program.
11 Program benefits shall be available to qualified persons only to the extent that funds are
12 available from the Health and Wellness Trust Fund for allocation to the Program.

13 **SECTION 2.** Notwithstanding Article 6C of Chapter 147 of the General
14 Statutes or any other applicable law to the contrary, the Health and Wellness Trust Fund
15 Commission shall allocate from the Health and Wellness Trust Fund one hundred
16 percent (100%) of nonreserved funds for the 2001-2002 fiscal year and one hundred
17 percent (100%) of nonreserved funds for the 2002-2003 fiscal year to provide
18 prescription drug benefits under the Prescription Drug Assistance Program established
19 under Section 1 of this act.

20 **SECTION 3.** This act becomes effective January 1, 2002.