

FIRST REGULAR SESSION

HOUSE BILL NO. 807

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES NAEGER, SECREST, REINHART, SHIELDS, HANAWAY, LUETKEMEYER, DOLAN, REID (Co-sponsors), OSTMANN, LEVIN, HUNTER, PHILLIPS, CHAMPION, MOORE, BARTLE, BERKSTRESSER, BEARDEN, PORTWOOD, GASKILL, DEMPSEY, BARNETT, BYRD, MAYER, RICHARDSON, CROWELL, MAY (149), GRIESHEIMER, CIERPIOT, ROBIRDS, MARSH, RECTOR, KELLY (144), HENDERSON, HOHULIN, PURGASON, ST. ONGE, KELLEY (47), CUNNINGHAM, ROARK AND JETTON.

Read 1st time February 15, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

1309L.02I

AN ACT

To amend chapter 208, RSMo, by adding thereto one new section relating to pharmacy discount program, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 208, RSMo, is amended by adding thereto one new section, to be known as section 208.800, to read as follows:

208.800. 1. The department of social services shall apply to the federal Department of Health and Human Services for a Medicaid waiver amendment to the section 1115 demonstration waiver or any additional Medicaid waivers necessary and desirable to establish a pharmacy discount program that provides discounted prescription drugs to eligible persons.

2. Upon receipt of the necessary waivers pursuant to subsection 1 of this section, the department of social services shall establish a pharmacy assistance program. Any Medicare eligible person whose household income is three hundred percent of the federal poverty level or less and who has no Medicare supplemental insurance policy that covers prescription drugs shall be eligible to participate in the program. Eligible persons shall enroll in the program through the department or a community pharmacy Medicaid provider. Community pharmacy Medicaid providers may charge a two-dollar sign-up fee for each application to cover administrative costs. Participants in the program shall renew their enrollment annually. The department shall prescribe by rule the application form, which shall be no more than one two-sided page.

16 **3. The department shall take the necessary steps to ensure that the state of Missouri**
17 **participates to the fullest extent possible in the national rebate program available to states**
18 **that establish a pharmacy discount program. Any national rebate projected by the state**
19 **shall be distributed as follows:**

20 **(1) Thirty percent of the rebate shall be credited at the point of sale as a discount**
21 **to the enrollees. Participating community pharmacies shall be reimbursed monthly for the**
22 **total amount of discounts given to enrollees;**

23 **(2) Forty-seven percent of the rebate shall be given to participating community**
24 **pharmacies as a service fee on a monthly basis; and**

25 **(3) Twenty-three percent of the rebate shall be retained by the department to cover**
26 **the administrative costs associated with the program.**

27 **4. At the time of purchase, enrollees in the pharmacy discount program shall**
28 **receive prescription drugs at a price that is equivalent to the price that Medicaid pays**
29 **minus the enrollee's thirty percent share of the national rebate. In no case shall the charge**
30 **to the enrollee exceed the usual and customary charge of the pharmacy for the**
31 **prescription. Participants in the pharmacy discount program shall not receive any other**
32 **Medicaid benefits.**

33 **5. Participants in the pharmacy discount program shall be issued an identification**
34 **card for use at a participating community pharmacy which shall be consistent with the**
35 **department of insurance and subsequent third-party requirements. The participating**
36 **community pharmacy shall use the state's online adjudication system to determine the**
37 **amount to collect from the enrollee which shall simultaneously submit a claim to the state**
38 **Medicaid agency to collect the difference between the amount the enrollee paid and the fee**
39 **on file. The state shall pay the pharmacy and submit a claim to collect the national rebate**
40 **available under the Medicaid program.**

41 **6. The state shall, at least once every two years, conduct a statistically valid study**
42 **to determine the average cost of filling a prescription exclusive of any profit by a Missouri**
43 **pharmacy. A certified accounting firm or the faculty of the department of pharmacy**
44 **administration of a Missouri school of pharmacy shall conduct the study. The findings**
45 **shall be used to set the reimbursement formula for all Medicaid prescriptions and other**
46 **prescriptions paid for by this state using the Medicaid price as a basis for reimbursement.**
47 **The state shall pay each pharmacy no less than the determined cost of filling a prescription**
48 **exclusive of any profit as determined by the study or the study adjusted for the inflation**
49 **factor in the year not conducted.**

 Section B. Because immediate action is necessary to ensure the state's participation in
2 a federal pharmacy discount program section A of this act is deemed necessary for the immediate

3 preservation of the public health, welfare, peace and safety, and is hereby declared to be an
4 emergency act within the meaning of the constitution, and section A of this act shall be in full
5 force and effect upon its passage and approval.