

HB 800 -- Missouri Rx Card Program

Sponsor: Johnson (47)

This bill establishes the Missouri Rx Card Program as the state pharmaceutical assistance program in the Department of Social Services.

The bill:

- (1) Requires the program to provide discounts to eligible participants for drugs covered through a negotiated rebate agreement;
- (2) Requires the department to use moneys from the negotiated rebates to contract with wholesalers and participating retail pharmacies in order to provide discounted drug prices to eligible participants;
- (3) Requires the director of the department to calculate drug discounts received by the program on a quarterly basis;
- (4) Establishes eligibility criteria for participants in the program. Missouri residents who are eligible to participate in Medicare or who have a net family income below 300% of the federal poverty level are eligible to participate in the program;
- (5) Requires the department to establish enrollment procedures and to implement outreach efforts to raise awareness of the program;
- (6) Requires the department to solicit proposals and to select a responsive, cost-effective bid for the third party administration of the program. If no responsive, cost-effective bids are received, the program will be administered by the department;
- (7) Requires the director to negotiate discount prices or rebates for prescription drugs from manufacturers and labelers. A drug manufacturer or labeler that sells prescription drugs in Missouri may voluntarily elect to negotiate rebates or discount prices for the program or negotiate discount prices or rebates for other state programs that pay for or acquire prescription drugs;
- (8) Requires the director to initiate a review to determine whether to place a manufacturer's or labeler's products on the prior authorization list for the Medicaid Program. The director can also initiate similar actions involving prior authorizations or formularies for other state-funded or state-operated prescription drug programs;

(9) Authorizes the department to require prior authorization of pharmaceutical products based on stated criteria;

(10) Requires that the names of drug manufacturers and labelers who do not enter into the rebate agreements are public information;

(11) Requires the department to establish rules that require participating retail pharmacies to disclose to program participants the amount of savings resulting from the program;

(12) Prohibits the department from imposing transaction charges on wholesalers or participating retail pharmacies that submit claims or receive payments under the program;

(13) Requires participating retail pharmacies to be reimbursed by the department on a bimonthly basis, including a dispensing fee not to exceed 75% of the Medicaid dispensing fee;

(14) Requires the department to report enrollment and financial data about the program to the General Assembly by February 1 of each year;

(15) Allows the director to combine drug pricing negotiations to maximize drug rebates;

(16) Grants rule-making authority to the department to implement the program and allows the department to seek waivers to implement the program; and

(17) Requires the discounts for participants to begin July 1, 2004.

The bill contains an emergency clause.