

HCS SS SS SCS SB 1371 -- MISSOURI SENIOR PRESCRIPTION DRUG PLAN

SPONSOR: Kinder (Threlkeld)

COMMITTEE ACTION: Voted "do pass" by the Committee on Senior Security by a vote of 16 to 0.

This substitute establishes the Missouri Senior Prescription Drug Plan. The substitute closes the standard drug benefit coverage gap created by the Medicare Prescription Drug, Improvement and Modernization Act of 2003.

Beginning January 1, 2006, the state will pay 75% of the standard drug benefit coverage gap for eligible seniors. To be eligible for the program, a person must be at least 65 and have an income level within 150% to 200% of the federal poverty level. Coverage will only be provided for drugs covered in the federal prescription drug plan formulary.

The substitute creates the Missouri Senior Prescription Drug Plan Commission. The commission is authorized to contract with prescription drug plan sponsors, adjust fee payments, set and adjust co-insurance amounts, apply for federal waivers and grants, and promulgate rules.

The substitute also creates within the commission the Missouri Senior Prescription Drug Plan Clearinghouse. The clearinghouse will assist and educate citizens in accessing prescription drug programs and provide information on eligibility, enrollment, and benefits of the plan.

The substitute terminates the Missouri Senior Rx Program after the Medicare Prescription Drug, Improvement and Modernization Act of 2003 has been fully implemented.

FISCAL NOTE: No impact on General Revenue Fund in FY 2005, FY 2006, and FY 2007. Estimated Income on Other State Funds of \$0 in FY 2005, \$7,294,423 in FY 2006, and \$5,199,362 in FY 2007.

PROPOSERS: Supporters say that when the Medicare Prescription Drug, Improvement and Modernization Act of 2003 was passed it created a large gap in coverage for persons enrolled in the Missouri Senior RX Program. The bill will fill that gap and take this financial burden off low-income seniors. The bill also establishes a clearinghouse, which was not available under the Missouri Senior RX Program, to assist participants in the prescription drug programs.

Testifying for the bill were Senators Kinder and Jacob;
Representative Page; Office of the Lieutenant Governor;

American Association of Retired Persons; Silver-Haired
Legislature; and Missouri Coalition for Alzheimer Disease.

OPPONENTS: There was no opposition voiced to the committee.

Bob Dominique, Legislative Analyst