

BY: Economic Matters Committee

AMENDMENTS TO SENATE BILL NO. 236
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, strike in their entirety lines 3 and 4 and substitute “Senior Prescription Drug Relief Act”; in line 5, after “of” insert “establishing certain prescription drug benefit programs; establishing eligibility criteria for certain prescription drug benefit programs; requiring the Department of Health and Mental Hygiene to administer and operate a certain program as permitted by federal law or waiver; providing for an exception to a certain eligibility limitation; authorizing the Department to establish certain mechanisms to recover certain administrative costs and to reimburse certain participating pharmacies; requiring the Secretary of Health and Mental Hygiene to adopt certain regulations; requiring the Department to apply for a certain waiver expansion to implement a certain program;”; and strike beginning with “facilitate” in line 5 down through “costs” in line 22 and substitute “operate and administer a certain program; authorizing the Foundation to contract with certain nonprofit organizations to operate and administer a certain program; requiring the Foundation to contract with certain entities to administer a certain program; requiring the Foundation to give priority to certain entities when contracting for the administration of a certain program; specifying the funding source of a certain program; requiring certain funds to be spent on a certain activity; requiring the Foundation to make a certain program available in each geographic region of the State”.

On pages 1 and 2, strike beginning with “Maryland” in line 23 on page 1 down through “circumstances” in line 14 on page 2 and substitute “short-term prescription drug subsidy plan; altering certain definitions; repealing certain definitions; altering the conditions for a carrier to provide the subsidy plan; extending the duration of the short-term drug subsidy plan; lowering the monthly premium under the plan; increasing the benefit limit under the plan; expanding the total number of enrollees allowed under the plan; requiring a certain carrier to alter the calculation of certain benefits beginning on a certain date; requiring a certain carrier to submit a certain quarterly financial accounting to certain agencies; specifying the contents of a certain fund; requiring the

(Over)

Department of Health and Mental Hygiene to develop and implement a certain outreach program; requiring the Department of Aging to perform certain outreach functions; making certain technical corrections; altering a certain contribution requirement; requiring the Health Services Cost Review Commission to transfer all funds assessed and collected under a certain plan to a certain fund; providing that a certain carrier shall only enroll certain individuals in a certain plan for a certain period of time”.

On page 2, in line 14, after “the” insert “State”; in line 15, strike “conduct a certain study,” and substitute “study the feasibility of a certain tax credit”; strike beginning with the second comma in line 15 down through “Act” in line 25 and substitute “of Health and Mental Hygiene; requiring certain reports to be submitted to the Governor and the General Assembly; requiring the Department of Health and Mental Hygiene to study the feasibility of purchasing prescription drugs in a certain manner; requiring the Foundation to report certain information annually on or before a certain date; requiring the Department and a certain carrier to extend a certain contract on or before a certain date; providing that the Secretary of Health and Mental Hygiene may suspend the implementation or operation of a certain plan upon certain notice by the federal government; requiring a certain carrier to send a certain notice to certain individuals by a certain date”; in line 26, strike “provisions” and substitute “portions”; in the same line, strike “under certain circumstances”; strike beginning with “providing” in line 27 down through the second “definitions” in line 29 and substitute “making certain provisions of this Act subject to certain contingencies; providing for the effective dates of this Act”; in line 29, strike “the”; in line 30, strike “enhancement of access to”; strike in its entirety line 31 and substitute “drug coverage.”; in line 34, strike “and” and substitute a comma; in the same line, after “15-124.1” insert “, 15-124.2, and 15-606”; in line 39, strike “15-124(a) and” and substitute “15-124(e).”; in the same line, strike “15-603” and substitute “15-604”; in the same line, after “inclusive” insert “, and 20-506”; after line 41, insert:

“BY repealing and reenacting, with amendments,

Article - Insurance

Section 15-606(a) and (c)

Annotated Code of Maryland

(1997 Volume and 2000 Supplement)

BY repealing and reenacting, with amendments,

Chapter 565 of the Acts of the General Assembly of 2000

Section 5”;

and in line 43, after “That” insert “the Laws of Maryland read as follows”.

AMENDMENT NO. 2

On page 3, strike in their entirety lines 1 through 31, inclusive.

AMENDMENT NO. 3

On page 4, after line 6, insert:

“15-124.

(e) The Secretary shall develop a program, in consultation with appropriate agencies, that will provide information to ineligible Maryland Pharmacy Assistance Program applicants regarding other programs that they may be eligible for including [free programs offered by drug manufacturers] THE MEDBANK PROGRAM ESTABLISHED UNDER § 15-124.2 OF THIS ARTICLE.”;

in lines 10, 15, 18, 26, and 33, in each instance, strike “MARYLAND PHARMACY DISCOUNT”; in line 12, strike “UNINSURED” and substitute “LOW INCOME”; in line 13, after “NECESSARY” insert a comma; in line 19, strike “WHO ARE”; in lines 21 and 22, strike “WHO:

(I) HAVE” and substitute “WITH”;

in lines 23 and 24, strike “; AND

(II) DO NOT HAVE” and substitute “WITHOUT”;

in line 26, after “(1)” insert “SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,”; in line 27, after “DRUGS” insert “; COVERED UNDER MARYLAND MEDICAL ASSISTANCE PROGRAM,”; in line 29, strike “BASED ON” and substitute “EQUIVALENT TO”; in lines 30 and 31, strike “AMOUNTS ATTRIBUTABLE TO” and substitute “THE AGGREGATE VALUE OF”; in line 32, after “(2)” insert “TO THE EXTENT AUTHORIZED UNDER FEDERAL WAIVER,

(Over)

EACH ENROLLEE WHOSE ANNUAL HOUSEHOLD INCOME IS AT OR BELOW 130 PERCENT OF THE FEDERAL POVERTY GUIDELINES SHALL BE ENTITLED TO A SUBSIDY EQUAL TO 75 PERCENT OF THE PRICE PAID BY THE MARYLAND MEDICAL ASSISTANCE PROGRAM FOR EACH PRESCRIPTION DRUG PURCHASED UNDER THE PROGRAM.

(F)”;

in line 32, strike “A MECHANISM” and substitute “MECHANISMS”; in the same line, after “TO” insert “;”

(1)”;

in line 33, after “PROGRAM” insert “; AND”

(2) REIMBURSE PARTICIPATING PHARMACIES IN AN AMOUNT EQUAL TO THE MARYLAND MEDICAL ASSISTANCE PRICE MINUS THE CO-PAYMENT PAID BY THE ENROLLEE FOR EACH PRESCRIPTION DRUG SOLD UNDER THE PROGRAM”.

AMENDMENT NO. 4

On page 4, in line 34, strike “(F)” and substitute “(G)”.

On pages 4 and 5, strike beginning with “MEETS” in line 35 on page 4 down through “IN” in line 1 on page 5 and substitute “IS ENROLLED IN OR HAS BEEN ENROLLED IN ANY OF THE FOLLOWING PROGRAMS IS ELIGIBLE TO ENROLL IN THE MARYLAND PHARMACY DISCOUNT PROGRAM, PROVIDED THE OTHER ELIGIBILITY CRITERIA ESTABLISHED UNDER THIS SECTION AND ANY REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SECTION ARE MET:”

(1) THE MEDBANK PROGRAM ESTABLISHED UNDER § 15-124.2 OF THIS SUBTITLE; AND

(2)”.

On page 5, strike beginning with “DISCOUNT” in line 1 down through “PHARMACY” in line 3; strike beginning with “; OR” in line 4 down through “PROGRAM” in line 10; in line 13, strike “3.” and substitute “2.”.

AMENDMENT NO. 5

On pages 5 and 6, strike in their entirety the lines beginning with line 16 on page 5 through line 20 on page 6, inclusive, and substitute:

“15-124.1.

(A) THERE IS A MARYLAND PHARMACY DISCOUNT PROGRAM WITHIN THE MARYLAND PHARMACY ASSISTANCE PROGRAM.

(B) THE PURPOSE OF THE PROGRAM IS TO IMPROVE THE HEALTH STATUS OF MEDICARE ENROLLEES AND LOW INCOME INDIVIDUALS WHO LACK PRESCRIPTION DRUG COVERAGE BY PROVIDING ACCESS TO LOWER COST, MEDICALLY NECESSARY, PRESCRIPTION DRUGS.

(C) THE PROGRAM SHALL BE OPEN TO MEDICARE ENROLLEES WHO:

(1) LACK OTHER PUBLIC OR PRIVATE PRESCRIPTION DRUG COVERAGE; AND

(2) HAVE AN ANNUAL HOUSEHOLD INCOME AT OR BELOW 250 PERCENT OF THE FEDERAL POVERTY GUIDELINES.

(D) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ENROLLEES OF THE PROGRAM SHALL BE ENTITLED TO PURCHASE MEDICALLY NECESSARY PRESCRIPTION DRUGS COVERED UNDER THE MARYLAND PHARMACY ASSISTANCE PROGRAM FROM ANY PHARMACY THAT PARTICIPATES IN THE MARYLAND PHARMACY ASSISTANCE PROGRAM AT A PRICE THAT IS EQUAL TO THE PRICE PAID BY THE MARYLAND PHARMACY ASSISTANCE PROGRAM, MINUS THE AGGREGATE VALUE OF ANY MANUFACTURERS’ REBATES PROVIDED UNDER THAT PROGRAM.

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(2) EACH ENROLLEE UNDER THE MARYLAND PHARMACY DISCOUNT PROGRAM WHOSE ANNUAL HOUSEHOLD INCOME IS AT OR BELOW 155 PERCENT OF THE FEDERAL POVERTY GUIDELINES SHALL BE ENTITLED TO A SUBSIDY EQUAL TO 50 PERCENT OF THE PRICE PAID BY THE MARYLAND PHARMACY ASSISTANCE PROGRAM FOR EACH PRESCRIPTION DRUG PURCHASED UNDER THE PROGRAM.

(E) THE DEPARTMENT MAY ESTABLISH MECHANISMS TO:

(1) RECOVER THE ADMINISTRATIVE COSTS OF THE PROGRAM; AND

(2) REIMBURSE PARTICIPATING PHARMACIES IN AN AMOUNT EQUAL TO THE MARYLAND MEDICAL ASSISTANCE PRICE MINUS THE COPAYMENT PAID BY THE ENROLLEE FOR EACH PRESCRIPTION DRUG SOLD UNDER THE PROGRAM.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Health - General

15-124.2.

(A) THERE IS A MARYLAND MEDBANK PROGRAM.

(B) THE PURPOSE OF THE PROGRAM IS TO IMPROVE THE HEALTH STATUS OF LOW INCOME INDIVIDUALS WHO LACK PRESCRIPTION DRUG COVERAGE BY ACCESSING MEDICALLY NECESSARY PRESCRIPTION DRUGS THROUGH PATIENT ASSISTANCE PROGRAMS SPONSORED BY PHARMACEUTICAL DRUG MANUFACTURERS.

(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE PROGRAM SHALL BE ADMINISTERED AND OPERATED BY THE MARYLAND HEALTH CARE FOUNDATION ESTABLISHED UNDER TITLE 20, SUBTITLE 5 OF THIS ARTICLE.

(2) (I) THE FOUNDATION SHALL CONTRACT WITH ONE OR MORE ENTITIES TO ADMINISTER AND OPERATE THE PROGRAM.

(II) SUBJECT TO SUBSECTION (E)(2) OF THIS SECTION, THE FOUNDATION SHALL GIVE PRIORITY TO ANY LOCAL HEALTH DEPARTMENT OR AREA AGENCY ON AGING WHEN SELECTING ENTITIES TO ADMINISTER AND OPERATE THE PROGRAM.

(D) (1) THE ADMINISTRATION AND OPERATION OF THE PROGRAM SHALL BE FUNDED AS PROVIDED FOR IN THE STATE BUDGET IN AN AMOUNT NOT MORE THAN \$2 MILLION ANNUALLY.

(2) THE AMOUNT OF MONEY ALLOCATED TO ADMINISTRATIVE EXPENSES FOR THE PROGRAM MAY NOT EXCEED 10 PERCENT OF THE AMOUNT THAT IS ALLOCATED TO THE PROGRAM IN THE STATE BUDGET.

(3) PROGRAM FUNDS SHALL BE USED IN PART TO PURCHASE INTERIM SUPPLIES OF PRESCRIPTION DRUGS FOR PROGRAM ENROLLEES WHO HAVE BEEN APPROVED TO PARTICIPATE IN A MANUFACTURER'S PATIENT ASSISTANCE PROGRAM BUT HAVE NOT YET RECEIVED THE APPROVED PRESCRIPTION DRUG.

(E) (1) THE FOUNDATION SHALL ENSURE THAT THE PROGRAM IS AVAILABLE TO RESIDENTS IN EACH OF THE FOLLOWING GEOGRAPHIC REGIONS OF THE STATE:

(I) WESTERN MARYLAND;

(II) THE EASTERN SHORE;

(III) THE BALTIMORE METROPOLITAN AREA;

(Over)

(IV) THE MARYLAND COUNTIES IN THE WASHINGTON, D.C. METROPOLITAN AREA; AND

(V) SOUTHERN MARYLAND, INCLUDING ANNE ARUNDEL COUNTY.

(2) THE FOUNDATION SHALL USE THE MEDBANK OF MARYLAND, INC. AND THE WESTERN MARYLAND PRESCRIPTION PROGRAM AS THE REGIONAL OFFICES FOR THE BALTIMORE METROPOLITAN AREA AND WESTERN MARYLAND RESPECTIVELY.

(F) ELIGIBILITY FOR THE PROGRAM SHALL BE LIMITED BY THE CRITERIA ESTABLISHED BY PHARMACEUTICAL MANUFACTURERS FOR THEIR PATIENT ASSISTANCE PROGRAMS.”.

AMENDMENT NO. 6

On page 7, in line 1, after “Medicare” insert an opening bracket; in line 2, after “amended” insert “] COVERAGE”; in line 4, strike the bracket; in line 6, strike “[~~(5)~~ (4)” and substitute “(5)”; in line 7, after “program” insert “OR OTHER INSURANCE PROGRAM”; in line 8, after “Plan;” insert an opening bracket; in the same line, after “and” insert a closing bracket; and after line 8, insert:

“(4) HAS AN ANNUAL HOUSEHOLD INCOME AT OR BELOW 300 PERCENT OF THE FEDERAL POVERTY GUIDELINES; AND”.

On page 8, in line 11, strike the brackets; in lines 13, 16, and 26, in each instance, strike the brackets; in line 11, strike “1 YEAR”; in lines 14, 16, and 26, in each instance, strike “1-YEAR”; in line 19, after “(4)” insert an opening bracket; in line 20, after “by” insert “[SUBMIT A DETAILED QUARTERLY FINANCIAL ACCOUNTING OF THE PLAN, INCLUDING THE IDENTIFICATION OF ALL REVENUE AND COST ITEMS, TO”; in line 27, after “than” insert an opening bracket; in the same line, after “15,000” insert “[50,000”; and in line 29, strike “\$20” and substitute “\$10”.

On page 9, in line 15, strike the closing bracket; in line 17, strike the bracket; in line 18, strike the brackets; in line 19, strike the bracket; in the same line, after the period, insert “] EFFECTIVE JULY 1, 2001, FOR THE YEAR BEGINNING JULY 1, 2001, THE CARRIER SHALL DISREGARD ALL BENEFIT AMOUNTS REALIZED UNDER THE PLAN BY EACH ENROLLEE THROUGH JUNE 30, 2001, FOR THE PURPOSE OF CALCULATING THE ENROLLEE’S PROGRESS TOWARD THE TOTAL ANNUAL BENEFIT LIMIT.”;

and strike in their entirety lines 20 through 23, inclusive, and substitute:

“15-604.

(a) There is a Short-Term Prescription Drug Subsidy Plan Fund.

(b) The Fund [contains the] CONSISTS OF:

(1) THE assessment against carriers made under § 15-606(c) of the Insurance Article;

(2) PREMIUMS COLLECTED UNDER § 15-603 OF THIS SUBTITLE; AND

(3) INTEREST AND INVESTMENT INCOME.

(c) The Fund is a special, continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(d) The Treasurer shall separately hold, and the Comptroller shall account, for the Fund.

(e) (1) The Fund shall be invested and reinvested in the same manner as other State funds.

(2) Any INTEREST AND investment earnings shall be retained to the credit of the Fund.

(Over)

(f) The Fund shall be subject to an audit by the Office of Legislative Audits, as provided in § 2-1220 of the State Government Article.

(g) The Secretary shall transfer the moneys in the Fund to the carrier providing the Plan as the moneys are needed to provide benefits to enrollees in the Plan AS DOCUMENTED IN THE CARRIER'S ANNUAL REPORT SUBMITTED TO THE SECRETARY AND THE MARYLAND INSURANCE COMMISSIONER UNDER § 15-602(A)(4) OF THIS SUBTITLE.

15-606.

(A) FOR THE PURPOSE OF MAXIMIZING PARTICIPATION IN THE PLAN, THE DEPARTMENT SHALL DEVELOP AND IMPLEMENT AN OUTREACH PROGRAM TARGETED AT ELIGIBLE INDIVIDUALS.

(B) THE DEPARTMENT SHALL PUBLICIZE THE EXISTENCE AND ELIGIBILITY REQUIREMENTS OF THE PLAN THROUGH THE FOLLOWING ENTITIES:

(1) THE DEPARTMENT OF AGING;

(2) LOCAL HEALTH DEPARTMENTS;

(3) CONTINUING CARE RETIREMENT COMMUNITIES;

(4) PLACES OF WORSHIP;

(5) CIVIC ORGANIZATIONS;

(6) COMMUNITY PHARMACIES; AND

(7) ANY OTHER ENTITY THAT THE DEPARTMENT DETERMINES APPROPRIATE.

(C) THE DEPARTMENT OF AGING, THROUGH ITS SENIOR HEALTH

INSURANCE PROGRAM, SHALL:

(1) ASSIST ELIGIBLE INDIVIDUALS IN APPLYING FOR COVERAGE UNDER THE PLAN; AND

(2) PROVIDE NOTICE OF THE PLAN AND ITS ELIGIBILITY REQUIREMENTS TO EACH INDIVIDUAL WHO SEEKS HEALTH INSURANCE COUNSELING SERVICES THROUGH THE DEPARTMENT OF AGING.

(D) THE DEPARTMENT SHALL ENSURE THAT THE ENTITIES USED TO PUBLICIZE THE EXISTENCE OF THE PLAN UNDER SUBSECTION (B) OF THIS SECTION ALSO HAVE SUFFICIENT PLAN APPLICATIONS AND ENROLLMENT MATERIALS FOR DISTRIBUTION.

(E) AS PART OF ITS OUTREACH PROGRAM, THE DEPARTMENT SHALL DEVELOP A MAIL-IN APPLICATION.

(F) THE OUTREACH PROGRAM FOR THE PLAN SHALL BE FUNDED THROUGH THE SHORT-TERM DRUG SUBSIDY PLAN FUND ESTABLISHED UNDER § 15-604 OF THIS SUBTITLE AS APPROPRIATED IN THE STATE BUDGET.

20-506.

(a) The Foundation shall:

(1) Solicit and accept any gift, grant, legacy, or endowment of money, including in-kind services, from the federal government, State government, local government, or any private source in furtherance of the Foundation;

(2) Provide grants to programs that:

(i) Promote public awareness of the need to provide more timely and cost-effective care for uninsured Marylanders;

(Over)

- (ii) Expand access to health care services for uninsured individuals; or
 - (iii) Provide or subsidize health insurance coverage for uninsured individuals;
 - (3) Study the feasibility and cost-effectiveness of providing health insurance coverage through the private market to uninsured children and their families as part of the program established under § 15-301 of this article;
 - (4) Develop programs for sponsorship by corporate and business organizations or private individuals;
 - (5) Develop criteria for awarding grants to health care delivery programs, insurance coverage programs, or corporate sponsorship programs;
 - (6) Develop criteria for prioritizing programs to be supported;
 - (7) Develop criteria for evaluating the effectiveness of programs receiving grants;
 - (8) Make, execute, and enter into any contract or other legal instrument;
 - (9) Receive appropriations as provided in the State budget;
 - (10) Lease and maintain an office at a place within the State that the Foundation designates;
 - (11) Adopt bylaws for the regulation of its affairs and the conduct of its business;
 - (12) ADMINISTER AND OPERATE THE MEDBANK PROGRAM IN ACCORDANCE WITH § 15-124.2 OF THIS ARTICLE;
 - (13) Take any other action necessary to carry out the purposes of the Foundation;
- and

[(13)] (14) Report annually to the Governor and, subject to § 2-1246 of the State Government Article, to the General Assembly, on its activities during the preceding year, including an evaluation of the effectiveness of funded programs, together with any recommendations or requests deemed appropriate to further the purposes of the Foundation.

(b) The Foundation may sue and be sued, but only to enforce contractual or similar agreements with the Foundation.

Article - Insurance

15-606.

(a) In this section, “carrier” means:

(1) an insurer;

(2) a nonprofit health service plan;

(3) a health maintenance organization; OR

(4) [a dental plan organization; or

(5)] any other person that provides health benefit plans subject to regulation by the State.

(c) (1) In addition to the requirements imposed under subsection (b) of this section, a carrier may not receive the approved purchaser differential unless the carrier contributes, as provided in paragraph (2) of this subsection, to the Short-Term Prescription Drug Subsidy Plan created under Title 15, Subtitle 6 of the Health - General Article.

(2) (i) The total contributions to be made to the Short-Term Prescription Drug Subsidy Plan by all carriers participating in the substantial, [affordable, and available] AVAILABLE, AND AFFORDABLE coverage differential program shall be [\$5.4 million per year] EQUAL TO 50

(Over)

PERCENT OF THE VALUE OF THE DIFFERENTIAL PROVIDED TO ALL CARRIERS THAT OFFER SUBSTANTIAL, AVAILABLE, AND AFFORDABLE COVERAGE IN THE NONGROUP INSURANCE MARKET.

(ii) 1. Each carrier participating in the substantial, [affordable, and available] AVAILABLE, AND AFFORDABLE coverage differential program shall contribute an amount to the Short-Term Prescription Drug Subsidy Plan that is equal to the total derived by multiplying [\$5.4 million] 50 PERCENT OF THE VALUE OF THE DIFFERENTIAL PROVIDED TO ALL CARRIERS IN THE PROGRAM by the percentage of the total benefit to all carriers from the substantial, [affordable, and available] AVAILABLE, AND AFFORDABLE coverage differential that the carrier [receives] RECEIVED on January 1, [2000] 2001.

2. On July 1 of each year, the Health Services Cost Review Commission shall calculate each carrier's contribution and assess the contribution as provided in this subsection.

(iii) 1. The last carrier to provide Medicare Plus Choice coverage in medically underserved counties or portions of counties shall use an amount equal to the contribution derived under subparagraph (ii) of this paragraph to provide the Short-Term Prescription Drug Subsidy Plan created under Title 15, Subtitle 6 of the Health - General Article.

2. The carrier is not required, in providing the plan under this subparagraph, to offer any other benefit otherwise required under Title 19, Subtitle 7 of the Health - General Article or Subtitle 8 of this title.

(iv) The Health Services Cost Review Commission shall annually assess [any] EACH carrier [other than the carrier described under subparagraph (iii) of this paragraph] for the carrier's contribution and shall transfer the contribution to the Treasurer of the State, for payment into the Short-Term Prescription Drug Subsidy Fund created under § 15-604 of the Health - General Article.

(v) If a carrier withdraws from the substantial, [affordable, and available] AVAILABLE, AND AFFORDABLE coverage program, the Commission shall recalculate the contributions to the prescription drug subsidy plan for the remaining carriers.

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Chapter 565 of the Acts of 2000

SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2000. On the earlier of the end of June 30, [2002] 2003, or the availability of comparable prescription pharmacy benefits provided by Medicare under Title XVIII of the Social Security Act, as amended, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect. If comparable prescription pharmacy benefits are provided by Medicare under Title XVIII of the Social Security Act, the Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 not later than 90 days before prescription drug benefits are to be provided.”.

AMENDMENT NO. 7

On page 9, in lines 25 and 26, strike “:

(a) (1)”;

in line 26, strike “an application”; in line 27, after “Administration” insert “an application”; and in line 29, after “Article” insert “. The Department shall apply for federal matching funds subject to budget neutrality requirements under § 1115 of the Social Security Act and the availability of State funds.”.

On pages 9 through 11, strike beginning with “as” in line 29 on page 9 through “subsection.” in line 14 on page 11, inclusive.

On page 11, in line 15, strike “8.” and substitute “6.”; and in line 32, strike “9.” and substitute “7.”.

AMENDMENT NO. 8

On pages 11 and 12, strike beginning with line 33 on page 11 through line 28 on page 12,

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inclusive, and substitute:

“(a) the Department of Health and Mental Hygiene shall study the feasibility of purchasing prescription drugs through federally qualified health centers and local health departments in Maryland to maximize the number of people who can benefit from the purchasing power of these entities, especially under available federal prescription drug pricing programs; and

(b) the Department shall, on or before December 1, 2001, report to the Governor and, in accordance with § 2-1246 of the State Government Article, to the General Assembly on:

(1) the scope of each entity’s purchasing power under federal prescription drug pricing programs;

(2) the federal restrictions or requirements placed on these entities as conditions for participation in federal prescription drug pricing programs;

(3) the number and demographic characteristics, including area of residence, economic status, and insurance status, of the individuals eligible to utilize available prescription drug pricing programs through these entities in the State;

(4) the types of prescription drugs that are or could be available through federal prescription drug pricing programs through these entities in the State;

(5) recommendations regarding:

(i) whether to pursue a method to access federal prescription drug pricing programs through these entities in the State; and

(ii) if the recommendation under subparagraph (i) of this paragraph is affirmative:

1. the most appropriate method or methods to maximize the potential of federal prescription drug pricing programs through these entities in the State;

2. the best option or options for financing any method or methods

recommended under item 1 of this subparagraph; and

3. the nature and extent of outreach that should be performed to best inform eligible individuals of the ability to obtain prescription drugs through the federally qualified health centers in the State; and

(6) the costs and benefits of any recommendations under paragraph (5)(ii) of this section.”.

On page 12, in line 29, strike “10.” and substitute “8.”; in lines 32 and 33, strike “its progress in fulfilling the obligations imposed in Section 1” and substitute “the Maryland Medbank Program created under Section 3”; in line 35, strike “by the Foundation under this Act” and substitute “by the program”; and in line 37, strike “under this Act” and substitute “through the program”.

On page 13, in line 2, strike “through the Foundation” and substitute “through the program”; in lines 3, 6, and 12, strike “11.”, “12.”, and “13.”, respectively, and substitute “9.”, “10.”, and “11.”, respectively; in line 5, strike “, effective July 1, 2001.”; in lines 5, 11, 14, and 17, in each instance, strike “4” and substitute “3”.

AMENDMENT NO. 9

On pages 13 and 14, strike in their entirety the lines beginning with line 18 on page 13 through line 41 on page 14, inclusive, and substitute:

“SECTION 12. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take effect July 1, 2001. On the earlier of the end of June 30, 2003, or the availability of comparable prescription drug benefits provided by Medicare under Title XVIII of the Social Security Act, as amended, with no further action required by the General Assembly, Section 3 of this Act shall be abrogated and of no further force and effect. If comparable prescription drug benefits are provided by Medicare under Title XVIII of the Social Security Act, the Secretary of Health and Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle, Annapolis, Maryland 21401 not later than 90 days before prescription drug benefits are to be provided.

(Over)

SECTION 13. AND BE IT FURTHER ENACTED, That Section 1 of this Act shall take effect on the date that the federal Health Care Financing Administration approves a waiver expansion applied for in accordance with Section 5 of this Act. The Department of Health and Mental Hygiene shall, within 5 working days of the date of the approval of the State's waiver expansion application, notify the Department of Legislative Services in writing at 90 State Circle, Annapolis, Maryland 21401. If the waiver expansion is denied, Section 1 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION 14. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the date that the federal Health Care Financing Administration denies a waiver expansion applied for in accordance with Section 5 of this Act. The Department of Health and Mental Hygiene shall, within 5 working days of the date of the denial of the State's waiver expansion application, notify the Department of Legislative Services in writing at 90 State Circle, Annapolis, Maryland 21401. If the waiver expansion is approved, Section 2 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION 15. AND BE IT FURTHER ENACTED, That:

(a) No later than July 1, 2001, the carrier that is required to provide the Short-Term Prescription Drug Subsidy Plan established under § 15-606 of the Insurance Article, as enacted by Section 3 of this Act, shall notify each individual who was enrolled in a Medicare Plus Choice plan on or before December 31, 1999 and lost coverage under that plan on or after January 1, 2000, of the existence of and eligibility criteria for the Plan.

(b) (1) For the first 90 days following the effective date of this Act, the carrier that is required to provide the Short-Term Prescription Drug Subsidy Plan under § 15-606 of the Insurance Article, as enacted by Section 3 of this Act, shall enroll in the Short-Term Prescription Drug Subsidy Plan only eligible individuals who:

(i) were enrolled in a Medicare Plus Choice managed care program on or before December 31, 1999;

(ii) lost coverage under a Medicare Plus Choice managed care plan after December 31, 1999; and

(iii) have an annual household income at or below 300 percent of the federal poverty guidelines.

(2) After the 90th day following the effective date of this Act, the carrier may enroll any individual eligible under § 15-601(c) of the Health - General Article as enacted by Section 2 of this Act.”.

On page 15, in line 1, strike “22.” and substitute “16.”; in the same line, strike “Section 13” and substitute “Sections 9, 10, and 15”; in line 2, strike “July” and substitute “June”; in line 5, strike “23.” and substitute “17.”; and in line 6, strike “18, 20, 21, and 22” and substitute “13, 14, and 16”; and in line 7, strike “June” and substitute “July”.