
By: ~~Senators Miller, Bromwell, and Sfikas~~ Sfikas, Astle, Blount, Colburn, Collins, Currie, DeGrange, Della, Dorman, Exum, Frosh, Green, Hafer, Hoffman, Hogan, Hollinger, Hooper, Jimeno, Kasemeyer, Kelley, Lawlah, Madden, McFadden, Middleton, Munson, Neall, Roesser, Ruben, Stoltzfus, Stone, and Teitelbaum ~~Teitelbaum~~, and Forehand

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CHAPTER _____

1 AN ACT concerning

2 ~~Maryland Health Care Foundation -- Statewide Access to Free or Subsidized~~
3 ~~Maryland Prescription Pharmaceutical Products~~ Drugs Access
4 Enhancement Act of 2001

5 FOR the purpose of requiring the Maryland Health Care Foundation to facilitate
6 certain access to prescription ~~pharmaceutical products~~ drugs to certain persons
7 in a certain manner; requiring the Foundation to ensure that the access
8 provided under this Act is available in specified regions of the State; authorizing
9 the Foundation to establish regional offices in certain locations; requiring the
10 Foundation to use specified offices as regional offices for certain regions;
11 authorizing the Foundation to establish a central office in a certain region;
12 requiring the Governor to provide certain funding to the Foundation for certain
13 purposes; requiring that the funding required under this Act be appropriated
14 directly to the Foundation; requiring the Foundation to use the funding required
15 under this Act for certain purposes; ~~providing for the termination of this Act;~~
16 requiring the Foundation to study and examine certain issues and to provide
17 certain reports by a certain date in a certain manner; establishing the Maryland
18 Pharmacy Discount Program; requiring the Secretary of Health and Mental
19 Hygiene to administer the Maryland Pharmacy Discount Program in a certain
20 manner; providing for the purpose, eligibility, benefits, and mechanics of the
21 Maryland Pharmacy Discount Program; authorizing the Department of Health
22 and Mental Hygiene to recover certain costs; altering the eligibility
23 requirements for the Maryland Pharmacy Assistance Program; expanding the
24 scope of the Short-Term Prescription Drug Subsidy Plan; altering the contract

1 term, reducing the premium, and increasing the maximum total annual benefit
2 under the Plan; providing for a certain resetting of certain accumulated annual
3 benefit amounts; altering the requirements and responsibilities of the carrier
4 that serves the Plan; requiring the Department to submit an application for
5 certain amendments to a certain Medicaid waiver for certain purposes;
6 conditioning the implementation of certain provisions of this Act on the approval
7 of a certain Medicaid waiver and on certain provisions of law and certain
8 authorization by Act of the General Assembly; requiring the Department to
9 conduct certain studies and to provide certain reports by certain dates in a
10 certain manner; expressing the intent of the General Assembly that pharmacies
11 participating in the Maryland Pharmacy Assistance Program be compensated
12 for certain reductions in reimbursement; requiring the Department to develop a
13 certain mechanism to allow the recovery of certain reductions in reimbursement
14 by certain pharmacies under certain circumstances; requiring the Comptroller
15 of the Treasury to conduct a certain study, in consultation with the Department,
16 and to provide a certain report by a certain date in a certain manner; requiring
17 the Secretary to adopt certain regulations for certain purposes by a certain date;
18 requiring the Secretary and a certain carrier to modify a certain contract;
19 requiring the Secretary to suspend the implementation or application of certain
20 provisions of law under certain circumstances; requiring the Department of
21 Aging to serve as a central point of referral for the general public for certain
22 matters under certain circumstances; requiring the Department of Aging to
23 provide a certain report by a certain date in a certain manner; providing for the
24 funding of certain provisions of this Act under certain circumstances; providing
25 for the contingent effect of certain provisions of this Act; providing for the
26 termination of certain provisions of this Act under certain circumstances;
27 providing for the delayed effect of certain provisions of this Act; providing for the
28 delayed implementation of certain provisions of this Act; altering certain
29 definitions; repealing certain definitions; and generally relating to the
30 Foundation and statewide enhancement of access to prescription
31 pharmaceutical products drugs in Maryland.

32 BY adding to
33 Article - Health - General
34 Section 15-103(d) and 15-124.1
35 Annotated Code of Maryland
36 (2000 Replacement Volume)

37 BY repealing and reenacting, with amendments,
38 Article - Health - General
39 Section 15-124(a) and 15-601 through 15-603, inclusive
40 Annotated Code of Maryland
41 (2000 Replacement Volume)

42 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
43 MARYLAND, That:

1 (a) The Maryland Health Care Foundation shall, in a manner consistent with
2 this section, facilitate access to free or subsidized prescription ~~pharmaceutical~~
3 ~~products~~ drugs for residents of the State who are eligible for assistance in obtaining
4 prescription ~~pharmaceutical products~~ drugs;

5 (b) The Foundation shall ensure that the access provided under subsection (a)
6 of this section is available to residents in:

7 (1) Western Maryland;

8 (2) the Eastern Shore;

9 (3) the Baltimore Metropolitan area;

10 (4) the Maryland counties in the Washington Suburban
11 Metropolitan area; and

12 (5) Southern Maryland;

13 (c) Subject to subsection (d) of this section, the Foundation may establish a
14 regional office in each of the regions identified in subsection (b) of this section;

15 (d) The Foundation shall use the Medbank of Maryland, Inc. and the Western
16 Maryland Prescription Program as the regional offices for the Baltimore Metropolitan
17 area and Western Maryland, respectively;

18 (e) The Foundation may establish a central office in any one of the regions
19 identified in subsection (b) of this section;

20 (f) The Governor shall provide funding in the annual budget in an amount:

21 ~~(1)~~ ~~sufficient to enable the Foundation to satisfy the requirements of this~~
22 ~~section; and~~

23 ~~(2) not less than \$12 million annually;~~

24 (g) The funding provided under subsection (f) of this section shall be
25 appropriated directly to the Foundation; and

26 (h) The Foundation shall use the funding provided under subsection (f) of this
27 section to satisfy the requirements of this section, including the establishment and
28 maintenance of administrative infrastructure and the provision of short-term
29 medication while applications for assistance are pending.

30 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
31 read as follows:

Article - Health - General

15-103.

(D) AS PERMITTED BY FEDERAL LAW OR WAIVER, THE SECRETARY SHALL ADMINISTER THE MARYLAND PHARMACY DISCOUNT PROGRAM, ESTABLISHED UNDER § 15-124.1 OF THIS SUBTITLE, AS PART OF THE MARYLAND MEDICAL ASSISTANCE PROGRAM.

15-124.1.

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

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

(C) THE MARYLAND PHARMACY DISCOUNT PROGRAM SHALL BE ADMINISTERED AND OPERATED BY THE DEPARTMENT AS PERMITTED BY FEDERAL LAW OR WAIVER.

(D) THE MARYLAND PHARMACY DISCOUNT PROGRAM SHALL BE OPEN TO:

(1) MEDICARE ENROLLEES WHO ARE WITHOUT OTHER PUBLIC OR PRIVATE PRESCRIPTION DRUG COVERAGE; AND

(2) OTHER INDIVIDUALS WHO:

(I) HAVE AN ANNUAL HOUSEHOLD INCOME AT OR BELOW 300 PERCENT OF THE FEDERAL POVERTY GUIDELINES; AND

(II) DO NOT HAVE OTHER PUBLIC OR PRIVATE PRESCRIPTION DRUG COVERAGE.

(E) (1) ENROLLEES OF THE MARYLAND PHARMACY DISCOUNT PROGRAM SHALL BE ENTITLED TO PURCHASE MEDICALLY NECESSARY PRESCRIPTION DRUGS FROM ANY PHARMACY THAT PARTICIPATES IN THE MARYLAND MEDICAL ASSISTANCE PROGRAM AT A PRICE THAT IS ~~EQUAL TO~~ BASED ON THE PRICE PAID BY THE MARYLAND MEDICAL ASSISTANCE PROGRAM, MINUS AMOUNTS ATTRIBUTABLE TO ANY FEDERALLY MANDATED MANUFACTURERS' REBATES.

(2) THE DEPARTMENT MAY ESTABLISH A MECHANISM TO RECOVER THE ADMINISTRATIVE COSTS OF THE MARYLAND PHARMACY DISCOUNT PROGRAM.

(F) NOTWITHSTANDING SUBSECTION (D) OF THIS SECTION, AN INDIVIDUAL WHO MEETS THE OTHER ELIGIBILITY CRITERIA ESTABLISHED UNDER THIS SECTION AND ANY REGULATIONS ADOPTED IN ACCORDANCE WITH THIS SECTION MAY

1 ENROLL IN THE MARYLAND PHARMACY DISCOUNT PROGRAM, IF THE INDIVIDUAL IS
2 OR HAS BEEN:

3 (1) ENROLLED IN THE MARYLAND PHARMACY ASSISTANCE PROGRAM
4 ESTABLISHED UNDER § 15-124 OF THIS SUBTITLE; OR

5 (2) A BENEFICIARY OF A FREE OR SUBSIDIZED PRESCRIPTION DRUG
6 PROGRAM FACILITATED THROUGH THE MARYLAND HEALTH CARE FOUNDATION.

7 (G) TO THE EXTENT THAT AN INSTITUTIONAL PHARMACY SERVES PATIENTS
8 IN HOSPITALS AND RESIDENTS IN NURSING HOMES, THE INSTITUTIONAL PHARMACY
9 MAY NOT BE REQUIRED TO PARTICIPATE IN THE MARYLAND PHARMACY DISCOUNT
10 PROGRAM.

11 (H) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THE
12 MARYLAND PHARMACY DISCOUNT PROGRAM.

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

15 **Article - Health - General**

16 15-124.

17 (a) (1) The Department shall maintain a Maryland Pharmacy Assistance
18 Program for low income individuals whose:

19 (i) Assets are not more than [1.5] 3 times the amount of
20 accountable resources according to the asset schedule of the Maryland Medical
21 Assistance Program; and

22 (ii) Gross annual income does not exceed[:

23 1. \$4,600 plus \$500 for each individual over 1 in a family
24 unit; and

25 2. An annual increase set by the Secretary under paragraph
26 (2)(i)4 of this subsection] 120 PERCENT OF THE FEDERAL POVERTY GUIDELINES.

27 (2) (i) 1. In this paragraph the following words have the meanings
28 indicated.

29 2. "Income disregard" means the exclusion of up to \$1,000 of
30 annual income earned by an individual as a client of a sheltered workshop if the
31 individual's sole other income is derived from a Social Security payment.

32 3. "Sheltered workshop" means a workshop licensed by the
33 Developmental Disabilities Administration under Title 7, Subtitle 9 of this article.

1 (ii) For the purpose of paragraph (1) of this subsection, the
 2 Secretary shall:

3 1. In order to determine eligibility for the Maryland
 4 Pharmacy Assistance Program, deduct any income disregards from the countable
 5 gross income of a unit that contains a disabled individual;

6 2. Define excluded assets; AND

7 3. Establish a family unit structure[; and

8 4. Beginning July 1, 1985, increase annually at the time
 9 Social Security benefits are increased, rounded to the next highest even \$50 level, the
 10 income level within which an individual is eligible for benefits under the Maryland
 11 Pharmacy Assistance Program by the larger of:

12 A. The percentage by which benefits under Title II of the
 13 Social Security Act (42 U.S.C. 401-433) are increased by the federal government due
 14 to cost-of-living changes as that percentage is reported in the Federal Register
 15 pursuant to 42 U.S.C. 415(I)(2)(D) but not to exceed 8 percent; or

16 B. The dollar amount by which the medical assistance income
 17 schedules are increased by the State].

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

20 **Article - Health - General**

21 15-601.

22 (a) In this subtitle the following words have the meanings indicated.

23 (b) "Carrier" means:

24 (1) An authorized insurer;

25 (2) A nonprofit health service plan;

26 (3) A health maintenance organization;

27 (4) A managed care organization;

28 (5) A dental plan organization; or

29 (6) Any other person that provides health benefit plans subject to
 30 regulation by the State.

31 (c) "Eligible individual" means an individual who:

32 (1) Is a resident of Maryland and at least 65 years of age;

1 (2) Is eligible for Medicare Plus Choice, as defined under Title XVIII of
2 the federal Social Security Act, as amended;

3 (3) [Resides in a medically underserved county or portion of a county;

4 (4)] Pays the premium for Medicare Part "B", as required by Title XVIII
5 of the Social Security Act, as amended;

6 [(5)] (4) Is not enrolled in a Medicare Plus Choice managed care
7 program that provides prescription drug benefits at the time that the individual
8 applies for enrollment in the Plan; and

9 [(6)] (5) Pays the premium, co-payments, and deductibles for the Plan.

10 (d) "Enrollee" means an individual enrolled in the Plan.

11 (e) "Fund" means the Short-Term Prescription Drug Subsidy Plan Fund
12 created under § 15-604 of this subtitle.

13 (f) "Medically underserved county" means any of the following counties:

14 (1) Allegany County;

15 (2) Calvert County;

16 (3) Caroline County;

17 (4) Carroll County;

18 (5) Cecil County;

19 (6) Charles County;

20 (7) Dorchester County;

21 (8) Frederick County;

22 (9) Garrett County;

23 (10) Kent County;

24 (11) Queen Anne's County;

25 (12) St. Mary's County;

26 (13) Somerset County;

27 (14) Talbot County;

28 (15) Washington County;

29 (16) Wicomico County; or

1 (17) Worcester County.

2 (g) "Portion of a county" means a geographic part of a county not listed in
3 subsection (f) of this section that was served by a Medicare Plus Choice managed care
4 provider prior to January 1, 2000, and is no longer served.]

5 [(h)] (F) "Plan" means the Short-Term Prescription Drug Subsidy Plan
6 established under this subtitle.

7 15-602.

8 (a) A carrier that is required to provide the Short-Term Prescription Drug
9 Subsidy Plan under § 15-606(c) of the Insurance Article shall:

10 (1) Sign a contract with the Secretary agreeing to provide prescription
11 drug benefits to eligible individuals for a period of at least [2 years] 1 YEAR;

12 (2) Except as otherwise required under State or federal law, agree not to
13 alter the level or types of benefits provided under the Plan throughout the [2-year]
14 1-YEAR period of the contract;

15 (3) Agree to hold enrollee premiums at the same level throughout the
16 [2-year] 1-YEAR contract period;

17 [(4)] Agree to continue to serve at least the same medically underserved
18 counties or portions of counties throughout the 2-year contract period;] and

19 [(5)] (4) Make all performance review and financial records available for
20 review by the Secretary and the Maryland Insurance Administration.

21 (b) The carrier is not required, in providing the Plan, to offer any other benefit
22 otherwise required under Title 19, Subtitle 7 of this article or Title 15, Subtitle 8 of
23 the Insurance Article.

24 15-603.

25 (a) The Plan provided under this subtitle shall:

26 (1) Throughout the [2-year] 1-YEAR contract period, provide benefits to
27 not more than 15,000 enrollees at any one time who are eligible individuals [and who
28 reside in any of the medically underserved counties or portions of counties];

29 (2) Set the monthly premium charged an enrollee at [\$40] \$20;

30 (3) Set the deductible charged an enrollee at \$50 per year per individual;

31 (4) Limit the co-pay charged an enrollee to:

32 (i) \$10 for a prescription for a generic drug;

33 (ii) \$20 for a prescription for a preferred brand name drug; and

1 (iii) \$35 for a prescription for a nonpreferred brand name drug; and

2 (5) [Limit] SUBJECT TO SUBSECTION (D) OF THIS SECTION, LIMIT the
3 total annual benefit to [\$1,000] \$1,200 per individual.

4 (b) The Plan may include a restricted formulary of experimental drugs not
5 approved by the federal Food and Drug Administration for general use that will not be
6 reimbursed.

7 (c) [(1) During the first 180 days of the operation of the Plan, the carrier may
8 enroll only eligible individuals who were:

9 (i) Enrolled in Medicare Plus Choice managed care programs in
10 medically underserved counties or portions of counties on or before December 31,
11 1999; and

12 (ii) After December 31, 1999, ceased to be enrolled in those plans.

13 (2) On and after the 181st day of the operation of the Plan, the carrier
14 may enroll any eligible individual.

15 (3) The carrier shall work with the Secretary and the Maryland
16 Department of Aging to provide notice, through the written and electronic media and
17 other means, to the eligible individuals [eligible for enrollment in the first 180 days of
18 the operation of the Plan,] of the availability of the Plan [and of the enrollment
19 preference to be granted].

20 (D) THE CARRIER, EFFECTIVE JULY 1, 2001 AND FOR THE YEAR BEGINNING ON
21 JULY 1, 2001, FOR EACH ENROLLEE, SHALL DISREGARD, FOR THE PURPOSE OF
22 CALCULATING THE ENROLLEE'S PROGRESS TOWARD THE TOTAL ANNUAL BENEFIT
23 LIMIT, ALL BENEFIT AMOUNTS REALIZED UNDER THE PLAN THROUGH JUNE 30, 2001.

24 SECTION 2, SECTION 5. AND BE IT FURTHER ENACTED, That the
25 Department of Health and Mental Hygiene:

26 (a) (1) shall submit an application to the federal Health Care Financing
27 Administration for an amendment to the State's existing § 1115 demonstration waiver
28 necessary to implement the Maryland Pharmacy Discount Program established under
29 § 15-124.1 of the Health - General Article as enacted by Section 2 of this Act; and

30 (2) may comply with the requirements of paragraph (1) of this subsection
31 by simultaneously applying for two separate amendments, as follows:

32 (i) one amendment establishing eligibility for the Medicare
33 enrollees who are without other public or private prescription drug coverage; and

34 (ii) one amendment establishing eligibility for other individuals
35 who have an annual household income at or below 300 percent of the federal poverty
36 guidelines and do not have other public or private prescription drug coverage;

1 (b) shall include in its application or applications required under subsection
2 (a) of this section provisions for the establishment of a pharmaceutical care
3 management program, for individuals who will participate in the Maryland
4 Pharmacy Discount Program, the objectives of which shall be to:

5 (1) improve the overall health condition of covered individuals;

6 (2) ensure that covered individuals are receiving necessary prescription
7 medications, are not receiving multiple medications which are not adding to the
8 overall improvement of the health conditions of the individuals, and are not taking
9 multiple medications which by their interaction may cause harm; and

10 (3) ensure coordination between a covered individual's primary care
11 provider, pharmacist, and other health care professionals in the delivery of
12 pharmaceutical care;

13 (c) shall report to the Governor and, in accordance with § 2-1246 of the State
14 Government Article, to the General Assembly on the status of the application or
15 applications required under subsection (a) of this section as soon as the Department
16 receives final approval or denial, but not later than December 1, 2001; and

17 (d) if the Department receives approval for an application or applications
18 required under subsection (a) of this section, may not implement the Maryland
19 Pharmacy Discount Program established under Section 2 of this Act without
20 authorization of the General Assembly, as expressed through an Act of the General
21 Assembly.

22 SECTION 6. AND BE IT FURTHER ENACTED, That the Department of
23 Health and Mental Hygiene shall:

24 (a) study the feasibility of implementing a mechanism for providing discounts
25 for prescription drugs under the Maryland Pharmacy Discount Program established
26 under Section 2 of this Act that are larger than the discount provided under the
27 Maryland Medical Assistance Program for individuals who are eligible for the
28 Maryland Pharmacy Discount Program and whose annual household incomes are less
29 than 300 percent of the federal poverty guidelines, such that the larger discounts are
30 inversely related to the eligible individual's annual household income; and

31 (b) on or before December 1, 2001, report to the Governor and, in accordance
32 with § 2-1246 of the State Government Article, to the General Assembly on any
33 findings and recommendations that result from the study required under subsection
34 (a) of this section, including:

35 (1) the expected impact of implementing such a mechanism on
36 participation in the Maryland Pharmacy Discount Program;

37 (2) whether federal funds could be used to finance such a mechanism;

38 (3) a recommendation on the appropriate financing of such a
39 mechanism; and

1 (4) a cost-benefit analysis of any recommendations.

2 SECTION 7. AND BE IT FURTHER ENACTED, That:

3 (a) it is the intent of the General Assembly that a pharmacy that participates
4 in the Maryland Pharmacy Discount Program established under § 15-124.1 of the
5 Health - General Article shall be compensated for reductions in reimbursement that
6 result from its participation in the Maryland Pharmacy Discount Program; and

7 (b) the Department of Health and Mental Hygiene shall:

8 (1) develop a mechanism for a pharmacy that participates in the
9 Maryland Pharmacy Discount Program established under § 15-124.1 of the Health -
10 General Article to recover reductions in reimbursement that result from participation
11 in the Maryland Pharmacy Discount Program; and

12 (2) ensure the maximum use of federal funds that are available to
13 accomplish the recovery of reductions in reimbursement required under paragraph (1)
14 of this subsection.

15 SECTION 8. AND BE IT FURTHER ENACTED, That:

16 (a) the State Comptroller of the Treasury, in consultation with the
17 Department of Health and Mental Hygiene, shall study the feasibility of providing a
18 tax credit for catastrophic out-of-pocket prescription drug expenses;

19 (b) the study shall include a consideration of:

20 (1) eligibility thresholds, including income and other status factors, for
21 qualification for a tax credit;

22 (2) the nature and scope of out-of-pocket expenses that would be
23 considered in calculating a tax credit;

24 (3) the fiscal impact and cost-benefit analysis of a variety of sizes of tax
25 credits; and

26 (4) whether a tax credit should be refundable; and

27 (c) (1) the Comptroller shall report on or before December 1, 2001 to the
28 Governor and, in accordance with § 2-1246 of the State Government Article, to the
29 General Assembly on any findings and recommendations; and

30 (2) if a recommendation for a tax credit is made, the Comptroller shall
31 make a recommendation on the appropriate size, nature, and scope of the tax credit.

32 SECTION 9. AND BE IT FURTHER ENACTED, That:

33 (a) the Maryland Health Care Foundation shall examine methods to facilitate
34 the purchase of prescription drugs through federally qualified health centers in
35 Maryland to maximize the number of people who can benefit from the purchasing

1 power of the federally qualified health centers, especially under available federal
2 prescription drug pricing programs; and

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

6 (1) the number and demographic characteristics, including area of
7 residence, economic status, and insured status, of the individuals who would be
8 eligible to utilize available prescription drug pricing programs through the federally
9 qualified health centers in the State;

10 (2) the types of prescription drugs that are or could be available through
11 available prescription drug pricing programs through the federally qualified health
12 centers in the State;

13 (3) recommendations regarding:

14 (i) whether to pursue a method to maximize the potential of
15 available prescription drug pricing programs through the federally qualified health
16 centers in the State; and

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

19 1. the most appropriate method or methods to maximize the
20 potential of available prescription drug pricing programs through the federally
21 qualified health centers in the State;

22 2. the best option or options for financing any method or
23 methods recommended under item 1 of this subparagraph; and

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

27 (4) the cost-benefit analysis of any recommendations under paragraph
28 (3)(ii) of this section.

29 SECTION 10. AND BE IT FURTHER ENACTED, That the Maryland Health
30 Care Foundation shall report, in accordance with § 2-1246 of the State Government
31 Article, to the General Assembly, and to the Governor, on or before December 1, 2001,
32 and annually thereafter, on its progress in fulfilling the obligations imposed in
33 Section 1 of this Act, including:

34 (a) The number and demographic characteristics of the State residents served
35 by the Foundation under this Act;

36 (b) The types and approximate value of prescription ~~pharmaceutical products~~
37 drugs accessed under this Act; and

1 (c) The nature and extent of outreach performed to inform State residents of
2 the assistance available through the Foundation.

3 SECTION 11. AND BE IT FURTHER ENACTED, That the Secretary of Health
4 and Mental Hygiene shall adopt regulations not later than June 30, 2001 to
5 implement, effective July 1, 2001, the provisions of Section 4 of this Act.

6 SECTION 12. AND BE IT FURTHER ENACTED, That the Secretary of Health
7 and Mental Hygiene and the carrier that is required to provide the Short-Term
8 Prescription Drug Subsidy Plan under § 15-606(c) of the Insurance Article shall
9 agree, not later than June 30, 2001, to modify the contract required under Chapter
10 565 of the Acts of the General Assembly of 2000 to enable the implementation,
11 effective July 1, 2001, of the provisions of Section 4 of this Act.

12 SECTION 13. AND BE IT FURTHER ENACTED, That, if the Secretary of
13 Health and Mental Hygiene is notified by the federal Health Care Financing
14 Administration that any provision of Section 4 of this Act will invalidate the
15 Maryland Medicare Waiver or cause a reduction in the State's eligibility for federal
16 funding of Medicaid, the Secretary may suspend the implementation or operation of
17 the provision of Section 4 of this Act that is the subject of the notification.

18 SECTION 14. AND BE IT FURTHER ENACTED, That the Department of
19 Aging shall:

20 (a) develop a mechanism for serving the general public as a central point of
21 referral to the various forms of available assistance related to accessing prescription
22 drugs in the State;

23 (b) in fulfilling its obligations under subsection (a) of this section, coordinate
24 with all relevant public and private entities to maintain current and accurate
25 information regarding eligibility, benefits, and requirements of all available programs
26 and financial assistance that facilitate access to prescription drugs in the State; and

27 (c) on or before December 1, 2001 and annually thereafter, report to the
28 Governor and, in accordance with § 2-1246 of the State Government Article, to the
29 General Assembly on the Department's progress in complying with the requirements
30 of this section.

31 SECTION 15. AND BE IT FURTHER ENACTED, That the Secretary of Health
32 and Mental Hygiene shall adopt regulations not later than June 30, 2001 to
33 implement, effective July 1, 2001, the provisions of Section 3 of this Act.

34 SECTION 16. AND BE IT FURTHER ENACTED, That the Department of
35 Health and Mental Hygiene shall study programs in other states that are similar to
36 the Maryland Pharmacy Discount Program established under Section 2 of this Act to
37 determine anticipated enrollment, cost, and utilization, and report, on or before
38 December 1, 2001, to the Governor, and in accordance with § 2-1246 of the State
39 Government Article, to the General Assembly on its findings.

1 SECTION 17. AND BE IT FURTHER ENACTED, That it is the intent of the
 2 General Assembly that the Department of Health and Mental Hygiene utilize not less
 3 than \$12 million in additional funding to expand the Maryland Pharmacy Assistance
 4 Program. The Department of Health and Mental Hygiene shall report, on or before
 5 January 15, 2002, to the Governor, and in accordance with § 2-1246 of the State
 6 Government Article, to the General Assembly on:

7 (1) the increased costs resulting from the expansion required under
 8 Section 3 of this Act; and

9 (2) any recommendations for further expansion of the Maryland
 10 Pharmacy Assistance Program.

11 SECTION ~~16~~ 18. AND BE IT FURTHER ENACTED, That Section 4 of this Act
 12 shall take effect July 1, 2001. On the earlier of the end of June 30, 2002, or the
 13 availability of comparable prescription pharmacy benefits provided by Medicare
 14 under Title XVIII of the Social Security Act, as amended, with no further action
 15 required by the General Assembly, Section 4 of this Act shall be abrogated and of no
 16 further force and effect. If comparable prescription pharmacy benefits are provided by
 17 Medicare under Title XVIII of the Social Security Act, the Secretary of Health and
 18 Mental Hygiene shall notify the Department of Legislative Services, 90 State Circle,
 19 Annapolis, Maryland 21401 not later than 90 days before prescription drug benefits
 20 are to be provided.

21 SECTION ~~17~~ 19. AND BE IT FURTHER ENACTED, That for fiscal year 2002,
 22 the State Comptroller of the Treasury shall distribute to the Maryland Health Care
 23 Foundation the revenue collected as a result of the taking effect of Chapter _____ (H.B.
 24 828) of the Acts of the General Assembly of 2001 in a manner to ensure that:

25 (a) (1) not less than 50,000 individuals will be served under Section 1 of this
 26 Act; but

27 (2) notwithstanding the goal specified in paragraph (1) of this
 28 subsection, the total distributed does not exceed \$8 million; and

29 (b) the revenues collected are distributed to the Foundation until the level of
 30 funding required under subsection (a) of this section is achieved before distributions
 31 for any other purpose may be made.

32 SECTION ~~18~~ 20. AND BE IT FURTHER ENACTED, That Sections 1, 3, 10, and
 33 ~~17~~ 19 of this Act shall take effect July 1, 2001, contingent on the taking effect of
 34 Chapter _____ (H.B. 828) of the Acts of the General Assembly of 2001, and if Chapter
 35 _____ does not become effective, Sections 1, 3, 10, and ~~17~~ 19 of this Act shall be null and
 36 void without the necessity of further action by the General Assembly.

37 SECTION ~~19~~ 21. AND BE IT FURTHER ENACTED, That Section 15 of this Act
 38 shall take effect June 1, 2001, contingent on the enactment of Chapter _____ (H.B. 828)
 39 of the Acts of the General Assembly of 2001, and, if Chapter _____ is not enacted,
 40 Section 15 of this Act shall be null and void without the necessity of further action by
 41 the General Assembly.

1 SECTION ~~3, 20, 22~~. AND BE IT FURTHER ENACTED, That Section 13 of this
2 Act shall take effect July 1, 2001. ~~It shall remain effective for a period of 3 years and,~~
3 ~~at the end of June 30, 2004, with no further action required by the General Assembly,~~
4 ~~this Act shall be abrogated and of no further force and effect.~~

5 SECTION ~~21, 23~~. AND BE IT FURTHER ENACTED, That, except as provided
6 in Sections ~~16, 18, 19, and 20~~ 18, 20, 21, and 22 of this Act, this Act shall take effect
7 June 1, 2001.