

UNOFFICIAL COPY OF HOUSE BILL 1467
EMERGENCY BILL

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By: **Delegates Hubbard, Rudolph, and Bobo**
Introduced and read first time: February 10, 2006
Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Cares**

3 FOR the purpose of establishing a Medicare Part D Stopgap Program in the
4 Department of Aging and the Department of Health and Mental Hygiene;
5 establishing eligibility for the Program; authorizing the Governor to transfer by
6 budget amendment certain funding from the Revenue Stabilization Account for
7 the Program for a certain purpose; requiring the Department of Health and
8 Mental Hygiene to provide certain authorization for payment to pharmacies and
9 to provide certain reimbursement to certain individuals and providers; requiring
10 certain local area agencies on aging to provide certain counseling and assistance
11 to certain Medicare beneficiaries and to provide certain community outreach
12 and education; requiring the Department of Aging to disseminate certain
13 information in a certain manner; requiring the Department of Aging and the
14 Department of Health and Mental Hygiene to collaborate in the collection of
15 certain data; requiring the Department of Aging to submit a certain request for
16 federal reimbursement; providing that certain federal reimbursement shall
17 revert to the Revenue Stabilization Account; requiring the Department of Aging
18 and the Department of Health and Mental Hygiene to make certain reports on
19 or before certain dates; making this Act an emergency measure; providing for
20 the termination of this Act; and generally relating to a Medicare Part D Stopgap
21 Program in the Department of Aging.

22 BY repealing and reenacting, without amendments,
23 Article - State Finance and Procurement
24 Section 7-311
25 Annotated Code of Maryland
26 (2001 Replacement Volume and 2005 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
28 MARYLAND, That the Laws of Maryland read as follows:

1 **Article - State Finance and Procurement**

2 7-311.

3 (a) (1) In this section the following words have the meanings indicated.

4 (2) "Account" means the Revenue Stabilization Account.

5 (3) "Estimated General Fund revenues" means the estimated General
6 Fund revenues stated in the annual report of the Board of Revenue Estimates
7 submitted to the Governor under § 6-106 of this article.8 (b) The Revenue Stabilization Account is established to retain State revenues
9 for future needs and reduce the need for future tax increases by moderating revenue
10 growth.11 (c) The Account is a continuing, nonlapsing fund which is not subject to §
12 7-302 of this subtitle.

13 (d) The Account consists of:

14 (1) moneys appropriated in the State budget to the Account; and

15 (2) interest or other income earned from the investment of any portion of
16 this Account or any other account in the State Reserve Fund.

17 (e) Except as provided in subsection (f) of this section, for each fiscal year:

18 (1) if the Account balance is below 3% of the estimated General Fund
19 revenues for that fiscal year, the Governor shall include in the budget bill an
20 appropriation to the Account equal to at least \$100,000,000; and21 (2) if the Account balance is at least 3% but less than 5% of the estimated
22 General Fund revenues for that fiscal year, the Governor shall include in the budget
23 bill an appropriation to the Account equal to at least the lesser of \$50,000,000 or
24 whatever amount is required for the Account balance to exceed 5% of the estimated
25 General Fund revenues for that fiscal year.26 (f) The appropriations required by subsection (e) of this section are not
27 required when the Account balance exceeds 5% of the estimated General Fund
28 revenues.29 (g) If authorized by an act of the General Assembly or specifically authorized
30 in the State budget bill as enacted, the Governor may transfer funds from the Account
31 to General Fund revenues.32 (h) If the budget bill as submitted to the General Assembly includes a transfer
33 of funds from the Account pursuant to subsection (g) of this section, the budget bill as
34 enacted by the General Assembly may provide for a reduction of the amount of the
35 transfer from the Account by an amount up to the amount of the reductions made by
36 the General Assembly in the General Fund appropriations.

1 (i) Funds of the Account may only be transferred from the Account as
2 provided in this section and are not subject to transfer by budget amendment.

3 (j) (1) Except as provided in paragraph (2) of this subsection and §
4 13-209(g) of the Tax - Property Article, for fiscal year 2007 and for each subsequent
5 fiscal year, the Governor shall include in the budget bill an appropriation to the
6 Account equal to the amount by which the unappropriated General Fund surplus as
7 of June 30 of the second preceding fiscal year exceeds \$10,000,000.

8 (2) The appropriation required under this subsection for any fiscal year
9 may be reduced by the amount of any appropriation to the Account required to be
10 included for that fiscal year under subsection (e) of this section.

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

12 (a) There is a Medicare Part D Stopgap Program in the Department of Aging
13 and the Department of Health and Mental Hygiene.

14 (b) The Program is for individuals who are eligible for Medicare Part D,
15 including individuals with disabilities and individuals who are at least 65 years old.

16 (c) (1) Notwithstanding § 7-311 of the State Finance and Procurement
17 Article, the Governor may transfer by budget amendment \$10,000,000 from the
18 Revenue Stabilization Account to the Department of Aging to:

19 (i) reimburse individuals, pharmacists, providers, and local
20 governments for pharmacy costs incurred from January 1, 2006, to June 30, 2006, as
21 a result of the implementation of Medicare Part D; and

22 (ii) provide up to \$5,000,000 to local area agencies on aging for
23 outreach, education, and counseling of individuals regarding Medicare Part D.

24 (2) The appropriation required under paragraph (1)(ii) of this subsection
25 shall be apportioned by jurisdiction based on the latest census of:

26 (i) individuals who are eligible for Medicare Part D; and

27 (ii) the number of dually eligible individuals in the jurisdiction.

28 (d) (1) The Department of Health and Mental Hygiene shall provide
29 immediate authorization for payment to pharmacies for individuals for:

30 (i) deductibles or co-payments that were inappropriately charged
31 in excess of deductibles or co-payments that are authorized under the low-income
32 subsidy;

33 (ii) the cost of a 30-day supply of medication not covered by the
34 individual's formulary; and

35 (iii) the cost of a 10-day supply of medication needed due to pending
36 preauthorization.

1 (2) The Program shall reimburse:

2 (i) individuals enrolled in Medicare Part D for documented
3 pharmacy costs incurred by the individual in excess of the deductible or copayment
4 that should have been paid by the individual; and

5 (ii) developmental disability providers, mental health providers,
6 and long-term care providers for documented pharmacy costs incurred on behalf of
7 individuals who are dually eligible for the Maryland Medical Assistance Program and
8 Medicare Part D.

9 (e) (1) A local area agency on aging or a designee of a local area agency on
10 aging that receives funding under the Program shall provide counseling and
11 assistance for Medicare beneficiaries, including individuals with disabilities and
12 individuals who are at least 65 years old.

13 (2) The counseling and assistance shall include:

14 (i) assistance in determining eligibility for Medicare Part D;

15 (ii) assistance in enrolling in Medicare Part D;

16 (iii) a pharmacy benefit checkup, as appropriate;

17 (iv) assessment of the need and eligibility for:

18 1. emergency pharmacy access;

19 2. the federal low-income subsidy; and

20 3. the Senior Prescription Drug Assistance Program; and

21 (v) assistance with any other problems related to the Medicare Part
22 D benefit.

23 (3) A local area agency on aging or a designee of a local area agency on
24 aging that receives funding under the Program shall provide community outreach and
25 education to encourage enrollment in Medicare Part D.

26 (f) (1) The Department of Aging shall provide pharmacies and Medicare
27 beneficiaries with:

28 (i) local area agency on aging contact information for each
29 jurisdiction; and

30 (ii) a description of the assistance available from the local area
31 agencies on aging.

32 (2) The information in paragraph (1) of this subsection shall be available
33 on the websites of the Department of Aging and the Department of Health and Mental
34 Hygiene.

1 (3) The Department of Aging and the Department of Health and Mental
2 Hygiene shall disseminate through their websites, public service announcements, and
3 direct communications with providers, information about the toll-free telephone
4 number for reporting Medicare Part D problems, including problems obtaining
5 needed medications due to formulary and preauthorization restrictions.

6 (4) A local area agency on aging or its designee that receives funding
7 under the Program shall conduct a community outreach and education campaign that
8 includes the use of local media outlets to disseminate information about Medicare
9 Part D.

10 (g) The Department of Aging and the Department of Health and Mental
11 Hygiene shall collaborate in the collection of statewide data on:

12 (1) health problems, including emergency room visits and
13 hospitalizations resulting from lapses or changes in medications;

14 (2) the resolution of issues related to the implementation of Medicare
15 Part D; and

16 (3) problems obtaining needed medications due to formulary and
17 preauthorization restrictions.

18 (h) (1) The Department of Aging shall submit a request to the Centers for
19 Medicare and Medicaid Services of the U.S. Department of Health and Human
20 Services for reimbursement of expenditures under the Program.

21 (2) Any federal reimbursement received by the State under paragraph
22 (1) of this subsection shall revert to the Revenue Stabilization Fund established under
23 § 7-311 of the State Finance and Procurement Article.

24 (i) The Department of Aging and the Department of Health and Mental
25 Hygiene shall issue an interim report on or before June 30, 2006 and a final report on
26 or before September 30, 2006 to the Governor and, in accordance with § 2-1246 of the
27 State Government Article, the General Assembly on:

28 (1) the data collected under subsection (g) of this section; and

29 (2) the federal reimbursement requested under subsection (h) of this
30 section.

31 SECTION 3. AND BE IT FURTHER ENACTED, That this Act is an emergency
32 measure, is necessary for the immediate preservation of the public health or safety,
33 has been passed by a yea and nay vote supported by three-fifths of all the members
34 elected to each of the two Houses of the General Assembly, and shall take effect from
35 the date it is enacted. It shall remain effective until the end of September 30, 2006,
36 and, with no further action required by the General Assembly, this Act shall be
37 abrogated and of no further force and effect.