

1999 DRAFTING REQUEST

Assembly Substitute Amendment (ASA-AB815)

Received: 03/03/2000

Received By: kenneda

Wanted: As time permits

Identical to LRB:

For: Steven Foti (608) 266-2401

By/Representing: Mike Heifetz (aide)

This file may be shown to any legislator: NO

Drafter: kenneda

May Contact:

Ah. Drafters: isagerro

Subject: Health - miscellaneous
Public Assistance - med. assist.

Extra Copies:

Pre Topic:

No specific pre topic given

Topic:

Changes to prescription drug program for medicare beneficiaries

Instructions:

See Attached

Drafting History:

Table with 8 columns: Vers., Drafted, Reviewed, Typed, Proofed, Submitted, Jacketed, Reaquired. It tracks the drafting process for two versions of the document.

FE Sent For:

<END>

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1?	kenneda	1 WLJ 3/6	CH 3-6	CH 3-6 3F			

FE Sent For:

<END>

Kennedy, Debora

From: Heifetz, Michael
Sent: Friday, March 03, 2000 12:30 PM
To: Kennedy, Debora
Subject: Per my voice mail

Importance: High

Negotiations in progress on this as a sub to AB 815.

Charlie Morgan also has a copy of this document.



RxSummary2.doc

Kennedy, Debora

From: Heifetz, Michael
Sent: Friday, March 03, 2000 4:21 PM
To: Kennedy, Debora
Subject: RE: Per my voice mail

As expected-please change the deductible to \$840 and add \$2m GPR in FY01 to DHFS for startup/admin.



RxSummary2.doc

-----Original Message-----

From: Heifetz, Michael
Sent: Friday, March 03, 2000 3:53 PM
To: Kennedy, Debora
Subject: RE: Per my voice mail

Excellent. There may be a couple changes, but at this point they should be minor-changing dollar amounts, adding in administrative \$\$ for DHFS in the current biennium. As soon as I know of them, I will let you know.

I will be around this weekend-there is voice mail on my office number (4-8274) and my home number is 255-4400. There is an answering machine on that line.

Thanks again.

-----Original Message-----

From: Kennedy, Debora
Sent: Friday, March 03, 2000 3:48 PM
To: Heifetz, Michael
Subject: RE: Per my voice mail

Early Monday I can get you a Xeroxed version with my hand-written changes on it; we can try to get the edited, introduceable version to you by noon. Okay?

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
debora.kennedy@legis.state.wi.us

-----Original Message-----

From: Heifetz, Michael
Sent: Friday, March 03, 2000 1:04 PM
To: Kennedy, Debora
Subject: RE: Per my voice mail

Yes, feel free to talk to Charlie! 2:00 p.m. Monday is cool if that is really the drop-dead time. Any chance you will have a very very preliminary Draft before that?

Also, please drop #7-regarding a cap on benefits. Let's go without one for now.

Thanks again. Lunch is on me when things quiet down!

-----Original Message-----

From: Kennedy, Debora
Sent: Friday, March 03, 2000 12:41 PM
To: Heifetz, Michael
Subject: RE: Per my voice mail

May I have permission to talk to Charlie about this request? Do you need this earlier than Monday 2:00?

Debora A. Kennedy
Managing Attorney
Phone: (608) 266-0137
debora.kennedy@legis.state.wi.us

-----Original Message-----

From: Heifetz, Michael
Sent: Friday, March 03, 2000 12:30 PM
To: Kennedy, Debora
Subject: Per my voice mail
Importance: High

Negotiations in progress on this as a sub to AB 815.

Charlie Morgan also has a copy of this document.

<< File: RxSummary2.doc >>

From Heifetz:



\$840

✓ Prior authority applies only to period of rebate agreement

- ✓ 1) AWP-5% at the counter up to -annually in drug costs;
- ✓ 2) After ⁸⁴⁰ ~~\$1,000~~ "deductible" is met, co-pay of \$10 for generics and \$20 for other drugs;
- ✓ 3) Pharmacies reimbursed by the state at AWP - 5% rate for drugs purchased with co-pay (after the ~~\$1,000~~ ⁸⁴⁰ threshold);
- ✓ 4) Enrollment fee of \$25;
- ✓ 5) Eligibility at 185% federal poverty level;

6) Rebates from manufacturers modeled after MA;

Charlie: paid to DHFS, not as a discount

~~7) Cap benefit at \$6,250 (consistent with Medi-gap coverage); this program is payer of last resort.~~

✓ 8) All drugs covered; manufactured by manufacturers who enter into

9) Utilize enrollment fee/rebates (flowing into DHFS) to offset costs to state related to administration of the program and reimbursing pharmacies;

Rebate for the rebate period

~~10) Allocate GPR to cover remaining program costs; unnecessary bec starts 7/1/01~~

✓ 11) Increase eligibility for MA from 97% to 100% federal poverty level (~\$3 million); - July 1, 2001

✓ 12) Start program July 1, 2001.

~~13) Maintain all other aspects of AB 815 as amended by Committee on Health yesterday.~~

✓ Maintain prior authority in AB 815 - see changes this page
✓ Dispensing fee paid under reimbursement to pharmacies
✓ State resident - 65 or older

↓
✓ Fee is paid as part of deductible, but not part of copay.

From Heifetz: 3/3

✓ ok to task to Charlie Morgan re this

✓ Delete # 7

Questions for Mike Heifetz:

- ✓ Does MA prior author. limit period remain same? (7/1/2001 - 7/31/2003) (Yes)
- ✓ Is the deductible retained by the pharmacy? (Yes)
- ✓ Administration costs? \$2,000,000 start up 20.435 (4)(a) (Yes)
- ✓ When does MA elig. start - (July 1)

1999

Date (time) needed

MONDAY 12:00

LRB s 0374, 1

SUBSTITUTE AMENDMENT [TO A BILL]

DAK & SR:Wlj

Use the appropriate components and routines developed for substitute amendments.

(A) SUBSTITUTE AMENDMENT

TO 1999 (SB) (AB) 815 (LRB)

AN ACT . . . [generate catalog] to repeal . . . ; to renumber . . . ; to consolidate and renumber . . . ; to renumber and amend . . . ; to consolidate, renumber and amend . . . ; to amend . . . ; to repeal and recreate . . . ; and to create . . . of the statutes; dating to:

.....

[NOTE: See section 4.02 (2) (br), Drafting Manual, for specific order of standard phrases.]

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION #.



ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 815

March 1, 2000 - Offered by Representatives KRUSICK, HUBER, BALOW, BLACK, BOCK, CARPENTER, HEBL, LA FAVE, J. LEHMAN, MEYER, MILLER, MUSSER, PLOUFF, RYBA, SCHOOFF, WASSERMAN and WAUKAU.

REGENERATE

1 **AN ACT to amend** 49.47 (4) (b) 2m. b., 49.47 (4) (b) 2r, 49.47 (4) (b) 2w., 49.47 (4)
2 (b) 3., 49.47 (4) (c) 1., 49.47 (4) (c) 3. and 49.47 (4) (i) 2. (intro.); and **to create**
3 20.435 (4) (bv), 20.435 (4) (j), 20.435 (4) (jb), 49.47 (4) (aq) and 49.688 of the
4 statutes; **relating to:** expanding medical assistance income eligibility
5 requirements for elderly persons; requiring pharmacies and pharmacists, as a
6 condition of medical assistance participation, to charge elderly, low-income
7 persons for prescription drugs no more than specific amounts; ~~requiring~~ ^{authorizing} the
8 department of health and family services to ~~attempt to negotiate~~ ^{rebate}
9 agreements with drug manufacturers; and making appropriations. ^{entirely to}

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

10 ~~SECTION 1. 20.005 (3) (schedule) of the statutes: at the appropriate place, insert~~
11 ~~the following amounts for the purposes indicated.~~

limiting prior authorization requirements under medical assistance;

1			1999-00	2000-01
2	20.435 Health and family services, department			
3	of			
4	(4) HEALTH SERVICES PLANNING, REGULATION AND			
5	DELIVERY; HEALTH CARE FINANCING			
6	(bv) Prescription drug assistance for			
7	elderly; aids	GPR A	-0-	5,575,000

8 SECTION 2. 20.435 (4) (bv) of the statutes is created to read:

9 20.435 (4) (bv) *Prescription drug assistance for elderly; aids.* The amounts in

10 the schedule for ~~the program for~~ prescription drug assistance for elderly persons

11 ~~under s. 49.688.~~ *payment to pharmacies and pharmacists under s. 49.688 (8) for*

12 SECTION 3. 20.435 (4) (j) of the statutes is created to read:

13 20.435 (4) (j) *Prescription drug assistance for elderly; ~~deductibles and~~*

14 *manufacturer rebates.* All moneys received from ~~payments of monthly deductibles~~

15 ~~under s. 49.688 (5) and~~ rebate payments by manufacturers under s. 49.688 (7), to be

16 *used for* ~~prescription drug assistance for elderly persons under s. 49.688.~~ *payment to pharmacies and pharmacists under s. 49.688 (8) for*

17 SECTION 4. 20.435 (4) (jb) of the statutes is created to read:

18 20.435 (4) (jb) *Prescription drug assistance for elderly; enrollment fees.* All

19 moneys received from payment of enrollment fees under s. 49.688 (2), to be used for

20 administration of the program under s. 49.688.

INSERT 2-20

21 SECTION 5. 49.47 (4) (aq) of the statutes is created to read:

22 49.47 (4) (aq) 1. Subject to subd. 2., an individual who does not meet the

23 limitation on income under par. (c) is eligible for medical assistance if the individual

1 is 65 years of age or older and the individual's income does not exceed 100% of the
2 federal poverty level.

3 2. If a federal waiver is necessary to provide medical assistance to individuals
4 specified in subd. 1., the department shall request a waiver from the secretary of the
5 federal department of health and human services before providing medical
6 assistance under this paragraph.

7 SECTION 6. 49.47 (4) (b) 2m. b. of the statutes is amended to read:

8 49.47 (4) (b) 2m. b. For persons who are eligible under par. (a) ~~3. or 4.~~ or (a),
9 motor vehicles are exempt from consideration as an asset to the same extent as
10 provided under 42 USC 1381 to 1385.

11 SECTION 7. 49.47 (4) (b) 2r. of the statutes is amended to read:

12 49.47 (4) (b) 2r. For a person who is eligible under par. (a) ~~3. or 4.~~ or (a), the
13 value of any burial space or agreement representing the purchase of a burial space
14 held for the purpose of providing a place for the burial of the person or any member
15 of his or her immediate family.

16 SECTION 8. 49.47 (4) (b) ~~2w.~~ of the statutes is amended to read:

17 49.47 (4) (b) ~~2w.~~ For a person who is eligible under par. (a) ~~3. or 4.~~ or (a), life
18 insurance with cash surrender values if the total face value of all life insurance
19 policies is not more than \$1,500.

20 SECTION 9. 49.47 (4) (b) 3. of the statutes is amended to read:

21 49.47 (4) (b) 3. For a person who is eligible under par. (a) ~~3. or 4.~~ or (a), funds
22 set aside to meet the burial and related expenses of the person and his or her spouse
23 in an amount not to exceed \$1,500 each, minus the sum of the cash value of any life
24 insurance excluded under subd. ~~2w.~~ and the amount in any irrevocable burial trust
25 under s. 445.125 (1) (a).

1 **SECTION 10. 49.47 (4) (c)** 1. of the statutes is amended to read:

2 49.47 (4) (c) 1. Except as provided in ~~par.~~ pars. (am) and (aq) and as limited by
3 subd. 3., eligibility exists if income does not exceed 133 1/3% of the maximum aid to
4 families with dependent children payment under s. 49.19 (11) for the applicant's
5 family size or the combined benefit amount available under supplemental security
6 income under 42 USC 1381 to ~~1383c~~ and state supplemental aid under s. 49.77
7 whichever is higher. In this subdivision "income" includes earned or unearned
8 income that would be included in determining eligibility for the individual or family
9 under s. 49.19 or 49.77, or for the aged, blind or disabled under 42 USC 1381 to 1385.
10 "Income" does not include earned or unearned income which would be excluded in
11 determining eligibility for the individual or family under s. 49.19 or 49.77, or for the
12 aged, blind or disabled individual under 42 USC 1381 to 1385.

13 **SECTION 11.** 49.47 (4) (c) 3. of the statutes is amended to read:

14 49.47 (4) (c) 3. Except as provided in ~~par.~~ pars. (am) and (aq), no person is
15 eligible for medical assistance under this section if the person's income exceeds the
16 maximum income levels that the U.S. department of health and human services sets
17 for federal financial participation under 42 USC 1396b (f).

18 **SECTION 12.** 49.47 (4) (i) 2. (intro.) of the statutes is amended to read:

19 49.47 (4) (i) 2. (intro.) Notwithstanding par. (b) 2r. and 3., a person who is
20 described in par. (a) ~~3. or 4.~~ or (aq) is not eligible for benefits under this section if any
21 of the following criteria is met:

22 **SECTION 13.** 49.688 of the statutes is created to read:

23 **49.688 Prescription drug assistance for low-income elderly persons.**

24 **(1)** In this section:

who is a resident, as defined in s. 27.01 (10)(a) of this state,

INSERT
5-2

1 (a) "Poverty line" means the nonfarm federal poverty line for the continental
2 United States, as defined by the federal department of labor under 42 USC 9902 (2).

3 (b) "Prescription drug" means a prescription drug, as defined in s. 450.01 (20),
4 that is included in the drugs specified under s. 49.46 (2) (b) 6. h. INSERT 5-4 ✓

5 (c) "Prescription order" has the meaning given in s. 450.01 (21).

6 (2) A person who is at least 65 years of age, who is ineligible for medical
7 assistance, whose income does not exceed 185% of the poverty line and who pays the
8 program enrollment fee specified in sub. (3) (a) is eligible to purchase a prescription
9 drug at the amount specified in sub. (6) (b). The person may apply to the department,
10 on a form provided by the department together with program enrollment fee
11 payment, for a determination of eligibility and issuance of a prescription drug card
12 for purchase of prescription drugs under this section.

13 (3) Program participants shall pay all of the following:

14 (a) Annually, a program enrollment fee of \$25.

15 (b) ~~Monthly~~, a deductible of \$40. *Annually*
\$840

16 ~~(c) Annually for prescription drugs, all of the following:~~

17 ~~1. Fifty percent of the first \$2,000 in charges, as specified in sub. (6) (a).~~

18 ~~2. Thirty percent of the charges, as specified in sub. (6) (a), that exceed \$2,000~~
19 ~~but that do not exceed \$6,250.~~

20 ~~3. One hundred percent of the charges, calculated at the retail price of the~~
21 ~~pharmacy or pharmacist, that exceed \$6,250.~~

INSERT
5-2

22 (4) The department shall devise and distribute a form for application for the
23 program under sub. (2), shall determine eligibility of applicants and shall issue to
24 eligible persons a prescription drug card for use in purchasing prescription drugs, as
25 specified in sub. (5).

July

(1) (5) Beginning ~~April~~ ^{July} 1, 2001, as a condition of participation by a pharmacy or
 2 pharmacist in the program under ss. 49.45, 49.46 or 49.47, the pharmacy or
 3 pharmacist may not charge a person who presents a valid prescription order, ~~a card~~ ^{and}
 4 indicating that he or she meets eligibility requirements under sub. (2) ~~and payment,~~
 5 ~~if applicable, of the monthly deductible amount specified in sub. (3) (b)~~ an amount
 6 for a prescription drug under the order that exceeds the amount ^s specified in sub. (6)
 7 (b). ~~The pharmacy or pharmacist shall forward to the state treasurer, for deposit in~~
 8 ~~the appropriation account under s. 20.435 (4) (i) the monthly deductible amount,~~

9 (6) (a) The charge ⁽⁴⁾ for ⁽⁵⁾ prescription drugs shall be calculated at the average
 10 wholesale price minus ~~10%~~ ⁽⁵⁾ or the maximum allowable cost, as determined by the
 11 department, whichever is less, ~~plus a dispensing fee. The charge does not include a~~
 12 ~~deductible, as specified in sub. (3) (b).~~ ^{that is equal to the dispensing fee permitted to be charged for prescription drugs for which coverage is provided under s. 49.46 (2) (b) 6.h}

13 (b) The amounts that a pharmacy or pharmacist may charge a person specified
 14 in sub. (2) in a calendar year period for ^a ~~the~~ prescription drugs are the following:

15 1. If applicable, a deductible, as specified in sub. (3) (b), for ^(a) prescription drugs
 16 that ^{is} ~~are~~ charged at the rate specified in par. (a) ^(a), ~~plus a dispensing fee~~

17 2. Fifty percent of the first \$2,000 ~~in~~ charges, as specified in par. (a), for the
 18 prescription drugs after the deductible, if applicable, is charged.

19 3. Thirty percent of the charges, as specified in par. (a), that exceed the amount
 20 specified in subd. 2. but that do not exceed \$6, 250, for the prescription drugs.

21 4. One hundred percent of charges, calculated at the retail price of the
 22 pharmacy or pharmacist, that exceed \$6,250, for the prescription drugs.

INSERT 6-22

23 (c) The department shall ~~for the purposes of par. (a)~~ calculate and transmit
 24 to pharmacies and pharmacists that are certified providers of medical assistance
 25 amounts that may be used in calculating charges under par. (a). The department

1 shall periodically update this information and transmit the updated amounts to
2 pharmacies and pharmacists.

3 (7) The department or an entity with which the department contracts ~~shall~~
4 ~~attempt to negotiate~~ with a drug manufacturer that sells drugs for prescribed use in
5 this state ~~a rebate agreement that is modeled on the rebate agreement specified~~
6 under 42 USC 1396r-8. The rebate agreement, if negotiated, shall include all of the
7 following as requirements: *may enter into*

8 (a) That the manufacturer shall make rebate payments for each prescription
9 drug of the manufacturer that is prescribed for persons who are eligible under sub.
10 (2), to the state treasurer to be credited to the appropriation under s. 20.435 (4) (j),
11 each calendar quarter or according to a schedule established by the department.

12 (b) That the amount of the rebate payment shall be determined by a method
13 specified in 42 USC 1396r-8 (c). *July*

14 (8) From the appropriation accounts under s. 20.435 (4) (bv) and (j), beginning
15 ~~April~~ *July* 1, 2001, the department shall provide to pharmacies and pharmacists
16 payments, under a schedule that is identical to that used by the department for
17 payment of pharmacy provider claims under medical assistance, that correspond to
18 the ~~discounts specified under sub (6)(a) and (b) provided~~ *The amounts changed*
19 pharmacies and pharmacists to persons who meet criteria for eligibility under sub. (2). The
20 department shall devise and distribute a form for reports by pharmacies and
21 pharmacists under this subsection. *INSERT 7-19 ✓*

22 (9) The department shall identify and list prescription drugs that account for
23 significant prescription order expenditure by persons who are aged at least 65 years.
24 Provision of a prescription drug so listed is reimbursable under sub. (8) only if the
25 pharmacy or pharmacist that provides the drug receives prior authorization from the

1 department for the provision. The department shall distribute to pharmacies and
2 pharmacists the list required under this subsection.

3 (10) The department may enter into a contract with an entity to perform the
4 duties and exercise the powers of the department under this section.

5 **SECTION 14. Nonstatutory provisions.**

6 (1) PRESCRIPTION DRUG ASSISTANCE FOR ELDERLY PERSONS; ADMINISTRATION. The
7 department of health and family services may request the joint committee on finance
8 to supplement, from the appropriation account under section 20.865 (4) (a) of the
9 statutes, the appropriation account under section 20.435 (4) (a) of the statutes, to pay
10 the costs of administration of the program of prescription drug assistance for elderly
11 persons under section 49.688 of the statutes, as created by this act. If the department
12 of health and family services requests supplementation of the appropriation account
13 under section 20.435 (4) (a) of the statutes, the department shall submit a plan to the
14 joint committee on finance to expend not more than \$1,500,000 for fiscal year
15 1999-2000 and not more than \$1,500,000 for fiscal year 2000-01. If the
16 cochairpersons of the committee do not notify the secretary of the department within
17 14 working days after the date of the department's submittal that the committee
18 intends to schedule a meeting to review the request, the appropriation account shall
19 be supplemented as provided in the request. If, within 14 working days after the date
20 of the department's submittal, the cochairpersons of the committee notify the
21 secretary of the department that the committee intends to schedule a meeting to
22 review the request, the appropriation account shall be supplemented only as
23 approved by the committee. Notwithstanding section 13.101 (3) (a) 1. of the statutes,
24 the committee is not required to find that an emergency exists.

25 **SECTION 15. Appropriation changes.**

INSERT 8.24

1 (1) **PRESCRIPTION DRUG ASSISTANCE FOR ELDERLY ADMINISTRATION.** In the schedule
 2 under section 20.005 (3) of the statutes for the appropriation to the joint committee
 3 on finance under section 20.865 (4) (a) of the statutes, as affected by the acts of 1999,
 4 the dollar amount is increased by ~~\$1,500,000 for fiscal year 1999-00 and the dollar~~
 5 ~~amount is increased by \$1,500,000~~ \$2,000,000 for fiscal year 2000-01 to increase funding for
 6 administration of the prescription drug assistance for elderly program under section
 7 49.688[✓] of the statutes, as created by this act.

8 (2) **EXPANDED MEDICAL ASSISTANCE ELIGIBILITY.** ~~In the schedule under section~~
 9 ~~20.005 (3) of the statutes for the appropriation to the department of health and family~~
 10 ~~services under section 20.435 (4) (b) of the statutes, as affected by the acts of 1999,~~
 11 ~~the dollar amount is increased by \$1,200,000 for fiscal year 2000-01 to increase~~
 12 ~~funding for expanded eligibility for medical assistance program benefits.~~

13 **SECTION 16. Initial applicability.**

14 (1) The treatment of section 49.47 (4) (a)[✓], (b) 2m. b.[✓], 2r.[✓], 2w.[✓] and 3.[✓], (c) 1.[✓] and
 15 3.[✓] and (i) (2) (intro.)[✓] of the statutes first applies to eligibility determinations made
 16 for medical assistance on ~~January~~ July 1, 2001.

17 ~~~~~~~~~ (END) July

EFFEFFECTIVE DATE

- 1. In the component bar: For the action phrase, execute: . . . create → action: → ● NS: → effdate
For the text, execute: create → text: → *NS: → effdateA
- 2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "____" or "()" only if a "frozen" number is needed.

SECTION # _____ • **Effective date.**

(#1) () This act takes effect
on

- 1. In the component bar: For the action phrase, execute: . . create → action: → *NS: → effdateE
For the text, execute: create → text: → *NS: → effdate
- 2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, fill in "____" or "()" only if a "frozen" number is needed.

SECTION # _____ • **Effective dates;** Health and Family Services

..... This act takes effect on the day after publication, **except** as follows:

(#1) WIA ^(B) PRESCRIPTION DRUG ASSISTANCE FOR ELDERLY The treatment of
sections . . . 20.435 (4) (b) ✓ and ✓
of the statutes takes effect on July 1, 2001 (C)

- 1. In the component bar: For the budget action phrase, **execute..create** → action: → *NS: → 94XX
For the **text**, execute: create → text: → *NS: → effdate
- 2. Nonstatutory subunits are numbered automatically if "(#1)", "(#2)", etc., is filled in. Below, for the budget, fill in the **9400** department code; and fill in "()" only if a "frozen" number is needed.

SECTION 94 _____ • **Effective dates;**

(#1) () The treatment of
sections
of the statutes takes effect on

(End)



ASSEMBLY BILL 815

1 under s. 49.688 (8) to pharmacies or pharmacists that provide prescription drugs at
2 discount.

3 SECTION 2. 49.45 (48) of the statutes is created to read:

July 1

June 30

4 49.45 (48) PRIOR AUTHORIZATION FOR LEGEND DRUGS. After ~~January 1~~ 2001, and
5 before ~~June 30~~ 2003, if a manufacturer enters into a rebate agreement under s.
6 49.688 (7), the department may not expand the prior authorization requirements for
7 prescription drugs manufactured by the manufacturer for which coverage is
8 provided under s. 49.46 (2) (b) 6. h. beyond those prior authorization requirements
9 that are in effect on ~~January 1~~ 1, 2001.

July

10 SECTION 3. 49.688 of the statutes is created to read:

11 **49.688 Prescription drug charges; low-income medicare beneficiaries.**

12 (1) In this section:

13 (a) "Chronic condition" means a cardiac condition, high blood pressure,
14 diabetes, arthritis, blood coagulation or hematologic disease, hyperlipidemia,
15 osteoporosis, chronic obstructive pulmonary disease, asthma, incontinence, thyroid
16 disease, glaucoma, Alzheimer's disease, Parkinson's disease, multiple sclerosis,
17 amyotrophic lateral sclerosis (Lou Gehrig's disease) and cancer.

18 (b) "Entitled to coverage under part A of medicare" means eligible for and
19 enrolled in part A of medicare under 42 USC 1395c to 1395i-5.

20 (c) "Entitled to coverage under part B of medicare" means eligible for and
21 enrolled in part B of medicare under 42 USC 1395j to 1395w-28.

22 (d) "Medicare" means coverage under 42 USC 1395 to 1395y.

23 (e) "Poverty line" means the nonfarm federal poverty line for the continental
24 United States, as defined by the federal department of labor under 42 USC 9902 (2).

25 (f) "Prescription drug" has the meaning given in s. 450.01 (20).

000000 0/0

¶ (a) "Generic name" has the meaning given in

s. 450.12 (1)(b). ✓

No
4

and that is manufactured by a manufacturer

that enters into a rebate agreement in force

under sub.(7)ⓐ

under par. (b) ✓

¶ (c) After payment of the deductible, all of the following:

¶ 1. A copayment of \$10 for each prescription drug ~~provided under the~~ program that ^{bears} only a generic name.

¶ 2. A copayment of \$20 for each prescription drug ~~provided under the program~~ that does not ^{bear} only a generic name.

¶ 2. After the deductible under subd. 1. is changed,
the copayment, as applicable, that is specified in
sub. (3)(c) 1. or 2. ✓

ASSEMBLY **BILL 815**

INSERT 8-2T

1 persons under sub. (5) during a specific period of time, as reported by the pharmacy
2 or pharmacist to the department. The department shall devise and distribute a form
3 for reports by pharmacies and pharmacists under this subsection.

4 (9) The department shall monitor compliance by pharmacies and pharmacists
5 that are certified providers of medical assistance with the requirements of sub. (5) ✓
6 and shall annually report to the legislature under s. 13.172 (2) concerning the
7 compliance. The report shall include information on any pharmacies or pharmacists
8 that discontinue participation as certified providers of medical assistance and the
9 reasons given for the discontinuance.

or to provide similar coverage under another program

10 (10) If federal law is amended to provide coverage for prescription drugs for
11 outpatient care as a benefit under medicare, the department shall submit a report
12 concerning this fact to appropriate standing committees of the legislature under s.
13 13.172 (3).

June 30

July 1

under sub. (10)

14 (11) After ~~January 1~~ 2001, and before ~~June 30~~ 2003, the department may not
15 subject a manufacturer that enters into a rebate agreement under sub. (7) to prior
16 authorization requirements for a prescription drug for outpatient care for treatment
17 of a chronic condition.

18 (12) Except as provided in subs. (9) to (11), the department may enter into a
19 contract with an entity to perform the duties and exercise the powers of the
20 department under this section.

SECTION 4. Appropriation changes; health and family services.

22 (1) ~~PRESCRIPTION DRUG CHARGES; ADMINISTRATION.~~ In the schedule under section
23 20.005 (3) of the statutes for the appropriation to the department of health and family
24 services under section 20.435 (4) (a) of the statutes, as affected by the acts of 1999,
25 the dollar amount is increased by \$1,000,000 for fiscal year 2000-01 to increase