

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1280 Session of
1991

INTRODUCED BY TRICH, VEON, CAPPABIANCA, CORRIGAN, KASUNIC,
MELIO, SCRIMENTI, BELARDI, ROBINSON, PETRARCA, TANGRETTI,
KOSINSKI, MIHALICH, GIGLIOTTI, JOHNSON, LAUGHLIN, FOX, BUNT,
FARMER, McCALL, R. C. WRIGHT AND E. Z. TAYLOR, MAY 6, 1991

REFERRED TO COMMITTEE ON AGING AND YOUTH, MAY 6, 1991

AN ACT

1 Amending the act of November 4, 1983 (P.L.217, No.63), entitled
2 "An act establishing a program of limited pharmaceutical
3 assistance for the elderly; granting powers to and imposing
4 duties on the Department of Aging; establishing a payment
5 system; making provisions for funding; providing for reports;
6 and fixing penalties for violations of the pharmaceutical
7 assistance program," further providing for the definition of
8 "maximum annual income"; and establishing a two-tier
9 copayment system.

10 The General Assembly of the Commonwealth of Pennsylvania
11 hereby enacts as follows:

12 Section 1. The definition of "maximum annual income" in
13 section 3 of the act of November 4, 1983 (P.L.217, No.63), known
14 as the Pharmaceutical Assistance Contract for the Elderly Act,
15 amended December 17, 1984 (P.L.1002, No.202), is amended to
16 read:

17 Section 3. Definitions.

18 The following words and phrases when used in this act shall
19 have the meanings given to them in this section unless the
20 context clearly indicates otherwise:

1 * * *

2 "Maximum annual income." Annual income as determined by the
3 department. Such amount shall not exceed [\$12,000] \$14,000 in
4 the case of single persons nor [\$15,000] \$17,500 in the case of
5 the combined annual income of married persons. These figures
6 shall be adjusted upward each year by 50% of the percentage of
7 the most recent cost-of-living increase in Federal Social
8 Security payments. The department shall publish the revised
9 figures in the Pennsylvania Bulletin.

10 * * *

11 Section 2. Section 4(e)(5) of the act, amended June 30, 1987
12 (P.L.169, No.17), is amended to read:

13 Section 4. Responsibilities of Department of Aging.

14 * * *

15 (e) Program criteria.--The program shall include the
16 following criteria:

17 * * *

18 (5) The system established shall include a participant
19 copayment schedule of \$4 for each prescription [for the first
20 year of the contract] filled with an approved generic
21 equivalent drug and \$7 for each prescription filled with an
22 approved brand name drug. The copayment [shall] may increase
23 or decrease [on the annual basis] by the average percent
24 change of ingredient costs for all prescription drugs plus a
25 differential to raise the copayment to the next highest 25¢
26 increment. In addition, the department may approve a request
27 for increase or decrease in the level of copayment based upon
28 the financial experience and projections of the program [and]
29 but only after consultation with the Pharmaceutical

30 Assistance Review Board. The department is prohibited from

1 approving adjustments to the copayment on more than a
2 semiannual basis.

3 * * *

4 Section 3. This act shall take effect in 90 days.