

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1298 Session of  
1991

INTRODUCED BY NAHILL, TRELLO, REBER, GEIST, ARMSTRONG, DeLUCA,  
CLARK, JOHNSON, HAGARTY, NOYE, BUSH, CORNELL, J. TAYLOR,  
E. Z. TAYLOR, S. H. SMITH, GLADECK, CIVERA AND R. C. WRIGHT,  
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 defining "maximum annual  
8 income"; and providing for a copayment schedule.

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

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

16 Section 3. Definitions.

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

20 \* \* \*

1 "Maximum annual income." Annual income as determined by the  
2 department. Such amount shall not exceed [\$12,000] \$13,000 in  
3 the case of single persons nor [\$15,000] \$16,200 in the case of  
4 the combined annual income of married persons. A sliding scale  
5 shall be established in order to correlate income with the  
6 required participant copayment, as set forth in section 4.2.

7 \* \* \*

8 Section 2. Section 4(e)(5) of the act is repealed.

9 Section 3. Section 4(f) of the act, amended June 30, 1987  
10 (P.L.169, No.17), is amended to read:

11 Section 4. Responsibilities of Department of Aging.

12 \* \* \*

13 (f) Reports by department.--The department shall maintain  
14 monthly statistical records on the program to effectively  
15 determine the cost of the program, level of participation and  
16 any patterns of unusual drug usage. Based on this information,  
17 the department shall submit a report every six months to the  
18 Aging and Youth Committee in the Senate, the [Health and Welfare  
19 Committee] Aging and Youth Committee in the House and the  
20 Pharmaceutical Assistance Review Board. The semiannual report  
21 shall contain, but is not limited to, all information relating  
22 to the number of persons served by the program, their counties  
23 of residence, a breakdown of the numbers and kinds of  
24 pharmaceuticals used, the cost of prescriptions and an estimate  
25 of actual expenses incurred by pharmacists participating in the  
26 program. The department shall issue [a] an annual report on the  
27 effectiveness of the cost containment strategies contained  
28 within this act to the General Assembly within 18 months of the  
29 effective date of this act and annually thereafter.

30 \* \* \*

Section 4. The act is amended by adding a section to read:

Section 4.2. Copayment schedule.

(a) General rule.--Copayments shall be made in accordance with the following schedule:

Single

<u>Maximum</u>	<u>Copayment</u>	<u>Copayment</u>
<u>Annual Income</u>	<u>Generic Drug</u>	<u>Brand Name</u>
<u>\$ 0 - \$4,000</u>	<u>\$1.00</u>	<u>\$2.00</u>
<u>4,001 - 7,000</u>	<u>2.00</u>	<u>4.00</u>
<u>7,001 - 10,000</u>	<u>3.00</u>	<u>6.00</u>
<u>10,001 - 13,000</u>	<u>4.00</u>	<u>8.00</u>

Married

<u>Maximum</u>	<u>Copayment</u>	<u>Copayment</u>
<u>Annual Income</u>	<u>Generic Drug</u>	<u>Brand Name</u>
<u>\$ 0 - \$4,000</u>	<u>\$1.00</u>	<u>\$2.00</u>
<u>4,001 - 8,000</u>	<u>2.00</u>	<u>4.00</u>
<u>8,001 - 12,000</u>	<u>3.00</u>	<u>6.00</u>
<u>12,001 - 16,200</u>	<u>4.00</u>	<u>8.00</u>

(b) Level of copayment.--The department may approve a request for increase or decrease in the level of copayment based upon the financial experience and projections of the program, but only after consultation with the board. The department is prohibited from approving adjustments to the copayment on more than a semiannual basis.

Section 5. This act shall take effect in 90 days.