

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1260 Session of 2021

INTRODUCED BY THOMAS, SAMUELSON, BENHAM, BROOKS, CONKLIN, SCHLEGEL CULVER, FREEMAN, HENNESSEY, HILL-EVANS, JOZWIAK, KOSIEROWSKI, LONGIETTI, McNEILL, MIZGORSKI, O'MARA, OTTEN, PARKER, PICKETT, POLINCHOCK, SANCHEZ, SAPPEY, SCHLOSSBERG, SHUSTERMAN, STEPHENS, WEBSTER, D. WILLIAMS, A. BROWN, FARRY, FITZGERALD, DEASY, CIRESI AND N. NELSON, APRIL 21, 2021

AS REPORTED FROM COMMITTEE ON AGING AND OLDER ADULT SERVICES, HOUSE OF REPRESENTATIVES, AS AMENDED, SEPTEMBER 28, 2021

AN ACT

1 Amending the act of August 26, 1971 (P.L.351, No.91), entitled
2 "An act providing for a State Lottery and administration
3 thereof; authorizing the creation of a State Lottery
4 Commission; prescribing its powers and duties; disposition of
5 funds; violations and penalties therefor; exemption of prizes
6 from State and local taxation and making an appropriation,"
7 in Pharmaceutical Assistance for the Elderly, further
8 providing for the pharmaceutical assistance contract for the
9 elderly needs enhancement tier, for board, for powers of the
10 department and for coordination of benefits.

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

13 Section 1. Section 519(b) and (c.1) of the act of August 26,
14 1971 (P.L.351, No.91), known as the State Lottery Law, are
15 amended to read:

16 Section 519. The Pharmaceutical Assistance Contract for the
17 Elderly Needs Enhancement Tier.

18 \* \* \*

19 (b) PACENET eligibility.--A person with an annual income of

1 not less than \$14,500 and not more than [\$27,500] \$33,500 in the  
2 case of a single person and of not less than \$17,700 and not  
3 more than [\$35,500] \$41,500 in the case of the combined income  
4 of persons married to each other shall be eligible for enhanced  
5 pharmaceutical assistance under this section. A person may, in  
6 reporting income to the department, round the amount of each  
7 source of income and the income total to the nearest whole  
8 dollar, whereby any amount which is less than 50¢ is eliminated.

9 [(c.1) Premium.--In those instances in which a PACENET  
10 claimant is not enrolled in Part D pursuant to section 533, the  
11 claimant shall be required to pay a monthly premium equivalent  
12 to the regional benchmark premium.]

13 \* \* \*

14 Section 2. Section 520(c.1) of the act is amended by adding  
15 a paragraph to read:

16 Section 520. Board.

17 \* \* \*

18 (c.1) Powers and duties.--The board shall advise on the  
19 following:

20 \* \* \*

21 (4) The development and modernization of the program, as  
22 necessary, to ensure that the program is providing and  
23 continues to provide the assistance intended in a fiscally  
24 responsible manner without excessively hampering the <--  
25 pharmaceutical industry.

26 \* \* \*

27 Section 3. Sections 533 and 534(b) (3) and (4) of the act are  
28 amended to read:

29 Section 533. Powers of the department.

30 The department [shall]:

1           (1) [Identify] Shall identify the Part D plan or plans  
2 with which the department has entered into a contract under  
3 section 534 that meet the prescription drug needs and  
4 pharmacy preferences of a claimant.

5           (2) [Recommend] May require that the claimant enroll in  
6 the Part D plan or program that meets the prescription drug  
7 needs and pharmacy preferences of the claimant in the most  
8 cost-effective manner for the Commonwealth.

9           (3) [Initiate] Shall initiate enrollment on behalf of  
10 the claimant in the Part D plan recommended by the department  
11 unless the claimant notifies the department that the claimant  
12 wishes to enroll in another Part D plan.

13           (4) [File] Shall file and pursue appeals in accordance  
14 with CMS regulations with a claimant's Part D plan on the  
15 claimant's behalf to request exceptions to the plan's tiered  
16 cost-sharing structure or to request a nonformulary Part D  
17 drug.

18           (5) [Assist] Shall assist claimants the department  
19 believes to be eligible for the LIS in making an application  
20 to the Social Security Administration.

21           (6) [Provide] Shall provide at least ten days for the  
22 claimant to decline enrollment in the recommended plan.

23           (7) [Develop] Shall develop and distribute language,  
24 when recommending enrollment, notifying claimants of:

25                   (i) The ability to decline enrollment in the  
26 recommended Part D plan.

27                   (ii) The ability to file and pursue appeals to the  
28 recommended Part D plan on their own behalf.

29                   (iii) The possibility that their choice of plan may  
30 affect their medical coverage if they are enrolled in a

1 Medicare advantage plan, if applicable.

2 Section 534. Coordination of benefits.

3 \* \* \*

4 (b) Specific coordination provisions.--The following  
5 provisions shall apply to claimants who are also Part D  
6 enrollees:

7 \* \* \*

8 (3) The program shall pay the premium assessed by a PACE  
9 or PACENET enrollee's PDP or, with respect to the  
10 prescription drug plan, Medicare Advantage Prescription Drug  
11 Plan in an amount not to exceed the regional benchmark  
12 premium and any copayments in excess of those set forth in  
13 section 509.

14 [(4) Part D enrollees enrolled in PACENET shall pay the  
15 Part D premiums charged by their PDP or, with respect to the  
16 prescription drug plan, Medicare Advantage Prescription Drug  
17 Plan and the program shall pay any copayments in excess of  
18 those set forth in section 519.]

19 \* \* \*

20 Section 4. This act shall take effect in 60 days.