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LC02179
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2004

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A N A C T

RELATING TO STATE AFFAIRS AND GOVERNMENT - PHARMACEUTICAL
ASSISTANCE TO THE ELDERLY

Introduced By: Representatives Costantino, Anguilla, Slater, Lewiss, and San Bento

Date Introduced: February 10, 2004

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 42-66.2-5 of the General Laws in Chapter 42-66.2 entitled
2 "Pharmaceutical Assistance to the Elderly Act" is hereby amended to read as follows:

3 **42-66.2-5. Persons eligible.** -- (a) Persons eligible for assistance under the provisions of
4 this chapter include any resident of the state who is at least sixty-five (65) years of age or at least
5 fifty-five (55) years of age and receiving social security disability benefits. State and consumer
6 co-payment shares for these persons shall be determined as follows:

7 (1) For unmarried persons or married persons living separate and apart whose income for
8 the calendar year immediately preceding the year in which assistance is sought is:

9 (i) Less than fifteen thousand nine hundred and thirty-two dollars (\$15,932) the state
10 shall pay sixty percent (60%) of the cost of the prescriptions and the consumer shall pay forty
11 percent (40%) of the cost of the prescriptions;

12 (ii) More than fifteen thousand nine hundred and thirty-two dollars (\$15,932) and less
13 than twenty thousand dollars (\$20,000), the state shall pay thirty percent (30%) of the cost of the
14 prescriptions and the consumer shall pay seventy percent (70%) of the cost of the prescriptions;
15 and

16 (iii) More than twenty thousand dollars (\$20,000) and less than thirty-five thousand
17 dollars (\$35,000), the state shall pay fifteen percent (15%) of the cost of prescriptions and the
18 consumer shall pay eighty-five percent (85%) of the cost of prescriptions.

1 (2) For married persons whose income for the calendar year immediately preceding the
2 year in which assistance is sought hereunder when combined with any income of the person's
3 spouse in the same year is:

4 (i) Nineteen thousand nine hundred and sixteen dollars (\$19,916) or less, the state shall
5 pay sixty percent (60%) of the cost of the prescriptions and the consumer shall pay forty percent
6 (40%) of the cost of the prescriptions;

7 (ii) More than nineteen thousand nine hundred and sixteen dollars (\$19,916) and less
8 than twenty-five thousand dollars (\$25,000), the state shall pay thirty percent (30%) of the cost of
9 the prescriptions and the consumer shall pay seventy percent (70%) of the cost of prescriptions;
10 and

11 (iii) More than twenty-five thousand dollars (\$25,000) and less than forty thousand
12 dollars (\$40,000), the state shall pay fifteen percent (15%) of the cost of prescriptions and the
13 consumer shall pay eighty-five percent (85%) of the cost of prescriptions.

14 (3) Eligibility may also be determined by using income data for the ninety (90) days
15 prior to application for benefits and projecting that income on an annual basis. The income levels
16 shall not include those sums of money expended for medical and pharmaceutical that exceed
17 three percent (3%) of the applicant's annual income or three percent (3%) of the applicant's
18 preceding ninety (90) day income computed on an annual basis.

19 (4) For persons on social security disability benefits who are: (i) unmarried or married
20 and living separate and apart with income for the calendar year immediately preceding the year in
21 which assistance is sought that is less than thirty-seven thousand one hundred and sixty-seven
22 dollars (\$37,167); or (ii) married with income that is less than forty-two thousand four hundred
23 seventy-six dollars (\$42,476), the state shall pay fifteen percent (15%) of the cost of prescriptions
24 and the consumer shall pay eighty-five percent (85%) of the cost.

25 (b) On July 1 of each year, the maximum amount of allowable income for both
26 unmarried and married residents set forth in subsection (a) shall be increased by a percentage
27 equal to the percentage of the cost of living adjustment provided for social security recipients.

28 (c) ~~[Effective until December 31, 2003.] Notwithstanding the foregoing provisions of this~~
29 ~~section, no person whose prescription drug expenses are paid or reimbursable, either in whole or~~
30 ~~in part, by any other plan of assistance or insurance is eligible for assistance under this section,~~
31 ~~until the person's prescription drug coverage for a specific covered prescription medication is~~
32 ~~exhausted or the specific prescription medication is not covered by the plan during a benefit year,~~
33 ~~and as provided in subsection (d).~~ No person whose prescription drug expenses are paid or
34 reimbursable, either in whole or in part, by any other plan of assistance or insurance is eligible for

1 assistance under this section, until the person's prescription drug coverage for a specific covered
2 prescription medication is exhausted or the specific prescription medication is not covered by the
3 plan during a benefit year, and as provided in subsection (d).

4 ~~(c) [Effective December 31, 2003.]Notwithstanding the foregoing provisions of this~~
5 ~~section, no person whose prescription drug expenses are paid or reimbursable, either in whole or~~
6 ~~in part, by any other plan of assistance or insurance is eligible for assistance under this section,~~
7 ~~until the person's prescription drug coverage is exhausted during a benefit year, and as provided~~
8 ~~in subsection (d).~~

9 (d) ~~[Effective until December 31, 2003.]The fact that some of a person's prescription~~
10 ~~drug expenses are paid or reimbursable under the provisions of medicare shall not disqualify that~~
11 ~~person, if he or she is otherwise eligible, to receive assistance under this chapter. In those cases,~~
12 ~~the state shall pay the eligible percentage of the cost of those prescriptions for qualified drugs for~~
13 ~~which no payment or reimbursement is made by the federal government. The fact that some of a~~
14 person's prescription drug expenses are paid or reimbursable under the provisions of the federal
15 medicare program shall not disqualify that person, if he or she is otherwise eligible, to receive
16 assistance under this chapter. In those cases, the state shall pay the eligible percentage of the cost
17 of those prescriptions for qualified drugs for which no payment or reimbursement is made by the
18 federal government.

19 ~~(d) [Effective December 31, 2003.]The fact that some of a person's prescription drug~~
20 ~~expenses are paid or reimbursable under the provisions of medicare, part B, shall not disqualify~~
21 ~~that person, if he or she is otherwise eligible, to receive assistance under this chapter. In those~~
22 ~~cases, the state shall pay sixty percent (60%) of the cost of those prescriptions for qualified drugs~~
23 ~~for which no payment or reimbursement is made by the federal government.~~

24 (e) Eligibility for receipt of any other benefit under any other provisions of the Rhode
25 Island general laws as a result of eligibility for the pharmaceutical assistance program authorized
26 under this section shall be limited to those persons whose income qualify them for a sixty percent
27 (60%) state co-payment share of the cost of prescriptions.

28 (f) For all additional drugs, the consumer shall pay one hundred percent (100%) of the
29 cost of prescriptions as set forth in section 42-66.2-4.

30 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

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RELATING TO STATE AFFAIRS AND GOVERNMENT - PHARMACEUTICAL
ASSISTANCE TO THE ELDERLY

- 1 This act would require the state to pay the eligible percentage of the cost of prescriptions
- 2 for qualified drugs for which no payment or reimbursement is made by the federal government.
- 3 This act would take effect upon passage.

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