

HOUSE BILL NO. 419

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES HAYES, Guess, Kohring

Introduced: 2/13/02

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act establishing the Prescription Drug Assistance Task Force; and providing for an**
2 **effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section
5 to read:

6 LEGISLATIVE FINDINGS. The legislature finds that

7 (1) low- and moderate-income senior citizens in the state are having
8 increasing difficulties paying for the costs of the prescription drugs that are necessary for their
9 health care;

10 (2) whether elderly citizens can continue to pay for the prescriptions they need
11 has become a nationwide concern;

12 (3) over the last three decades, not fewer than 26 states have put in place a
13 prescription drug assistance program of some type and, in some cases, of more than one type;

14 (4) these programs have included subsidy programs, discount programs,

1 rebates, bulk purchasing arrangements, and tax credits;

2 (5) one or more of these strategies were under consideration in 44 states as of
3 June 2001;

4 (6) when this state adopts a strategy for helping its senior citizens cope with
5 the costs of their prescription drugs, any strategy that may have been considered elsewhere
6 must be adapted for use in this state;

7 (7) the strategy used in this state should also anticipate which efforts are most
8 likely to benefit from future contemplated changes in the Medicaid or Medicare programs;
9 and

10 (8) a task force established to focus on the prescription drug cost issue would
11 put the state in a better position to formulate policies on this subject.

12 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
13 read:

14 **PRESCRIPTION DRUG ASSISTANCE TASK FORCE.** (a) There is established in
15 the Department of Administration the Prescription Drug Assistance Task Force composed of
16 seven members as follows:

17 (1) one nonlegislator member appointed jointly by the speaker of the house
18 and the president of the senate;

19 (2) a representative of the Department of Administration, appointed by the
20 governor;

21 (3) a representative of the division of insurance, Department of Community
22 and Economic Development, appointed by the governor;

23 (4) a representative of the Department of Health and Social Services,
24 appointed by the governor;

25 (5) an Alaska resident over the age of 55, appointed by the governor after
26 consultation with the Alaska chapter of the American Association of Retired Persons and
27 similar organizations;

28 (6) an Alaska resident who is a licensed pharmacist, appointed by the
29 governor; and

30 (7) a person who is not a state employee, who can represent the insurance
31 industry, appointed by the governor.

1 (b) The task force established by this section shall

2 (1) study prescription drug assistance strategies that have been used or are
3 being considered in other states and at the federal level;

4 (2) ascertain the potential applicability of Medicaid regulations and waivers to
5 the issue of addressing the need of elderly low- to moderate- income Alaskans for assistance
6 with the costs of their prescription drugs;

7 (3) gather demographic information on the senior population in the state and
8 its likely size and makeup over the next 10 years;

9 (4) develop reliable estimates for how much this state's senior citizens have
10 been spending and will probably spend each year on prescription drugs, and their rates of drug
11 usage, over the past five years and for the next five years;

12 (5) hold public hearings and use other means to solicit as much helpful
13 information as possible on this subject from the citizens of the state; and

14 (6) develop recommendations for regulations, waiver applications, and
15 legislation that this state should pursue in addressing the need of elderly low- to moderate-
16 income Alaskans for assistance with the costs of their prescription drugs within the budgetary
17 constraints of the state government.

18 (c) The members of the task force shall serve without compensation but are entitled to
19 per diem and travel expenses authorized for boards and commissions under AS 39.20.180.

20 (d) The Department of Administration shall provide reasonable assistance with staff,
21 supplies, equipment, and other appropriate items, at the request of the task force chairperson.

22 (e) The task force shall select a chairperson from among its members, shall meet at
23 least three times but may meet as frequently as determined necessary, and may meet and vote
24 by teleconference.

25 (f) The task force shall submit its findings and recommendations to the governor and
26 the legislature by the 30th day of the First Regular Session of the Twenty-Third Alaska State
27 Legislature.

28 * **Sec. 3.** This Act is repealed on the day after adjournment of the First Regular Session of
29 the Twenty-Third Alaska State Legislature.

30 * **Sec. 4.** This Act takes effect immediately under AS 01.10.070(c).