

S B

393

Sr. Citizens
(state assistance, purchase of drugs)

SENATE BILL NO. 393, by Senator Ferguson. Adds new chapter to Title 47 (Welfare, Social Services and Institutions) which establishes within the Department of Health and Social Services the pharmaceutical assistance program. Provides for payment by department to pharmacies and pharmacists the cost of prescription drugs purchased by a state resident 65 years or over. States that department may not pay for drugs paid by another plan of medical assistance or insurance or if purchaser refuses to accept substitute drug product with the same generic name, and states that if product exceeds maximum allowable cost purchaser must pay the difference. Provides for establishment by commissioner of system of payments and reimbursements, preparation of list of maximum allowable costs, and issuance of identification cards. Provides Act takes effect October 1, 1980.

Introduced February 6 and referred to HESS, then to Finance.

SB 393 ~~HESS~~ ~~2006~~ a state program to
assist residents who are 65 years of age
or over to purchase prescription drugs.

Requested F/H.

Introduced 2-6-80
Logged 2-6-80
Referrals Finance
Comm. meeting 3-24-80 - held
in action

Notify: Ron Sedgewick 9-0458 - Pharmacist
Jim Mallock (McLorck Pharmacy)
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ALASKA PHARMACEUTICAL ASSOCIATION

Box 1185 Anchorage, Alaska 99510
3-12-80

State Senator Frank P. Ferruson
Pouch U
Juneau, Alaska 99811

Dear Senator Ferruson:

The Alaska Pharmaceutical Association passed the following resolution regarding SB 393, at our recently-completed convention:

RESOLUTION #8

Whereas SB 393 has been introduced, establishing a State program to assist residents who are 65 years of age or over to purchase prescription drugs, therefore be it resolved that the association will support SB 393 if the following recommendations are observed:

- (1) Establish an actual need for this program.
- (2) Place this program into the current Medicaid Program with pharmacy reimbursement at usual & customary fee.
- (3) Do not ask pharmacies to re-bill another third-party program for reimbursement.
- (4) Delete that portion of the bill dealing with substitution as it may conflict with our current law.
- (5) Establish eligibility of Alaska natives over 65 years of age for program.
- (6) Delete Section II of the bill (Report to Legislature) because a study has already been done by Touche Ross on the original Medicaid legislation.

Our main feeling was that most Alaska residents over 65 are already covered by another program, (such as Medicaid), or eligible to receive drugs & other medications from USPHS facilities or contracts (Alaska Natives), covered by insurance or can well afford to pay for prescriptions. Granted, there will be a few exceptions.

Our current Medicaid program is satisfactory to the majority of pharmacies in the state, except for the current payment problem, which we hope will be corrected soon. The pharmacies feel that our Medicaid program is far superior to those of our sister states, who are tied up with the bureaucracy of unwieldy federal programs, and we appreciate this.

We are willing to meet with anyone with questions regarding our position on this bill. Please contact our secretary, Chuck Decker, Box 1185, Anchorage 99510 phone/work--276-3921 or home--243-5976, so that he may arrange a meeting with a small representative group.

Very truly yours,

Dave Heinke, Pres.

cc/ Sen. Ferruson, Stewart, Collins, Johnson
Gov. Hammond, Comm. Reiser, Tessa, Association board members.

James H. Johnson
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