LC00561

4

5

6

11

13

14

15

16

17

18

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2003

AN ACT

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

Introduced By: Representatives Amaral, Story, Savage, Mumford, and Scott

Date Introduced: January 15, 2003

Referred To: House Finance

It is enacted by the General Assembly as follows:

SECTION 1. Section 42-66.2-3 of the General Laws in Chapter 42-66.2 entitled
"Pharmaceutical Assistance to the Elderly Act" is hereby amended to read as follows:

3 <u>42-66.2-3. Definitions. -</u> As used in this chapter, unless the context requires otherwise:

- (1) "Consumer" means any full-time resident of the state who fulfills the eligibility requirements set forth in section 42-66.2-5. Residence for purposes of this chapter shall be in accordance with the definitions and evidence standards set forth in section 17-1-3.1.
- 7 (2) "Contractor" means a third party or private vendor capable of administering a 8 program of reimbursement for prescription drugs, and drug program eligibility administrative 9 support as required by the director, the vendor to be determined through a competitive bid process 10 in which the director awards a three (3) year contract for services.
 - (3) "Department" means the department of elderly affairs.
- 12 (4) "Director" means the director of the department of elderly affairs.
 - (5) (i) "Eligible drugs" means insulin and shall mean noninjectable drugs which require a physician's prescription according to federal law and which are contained in the following American Hospital Formulary Service pharmacologic-therapeutic classifications categories that have not been determined by the federal "Drug Efficacy and Safety Implementation (DESI) Commission" to lack substantial evidence of effectiveness. Eligible drugs are limited to the following classification categories: cardiac drugs, hypotensive drugs, diuretics, anti-diabetic

agents, insulin, estrogen, disposable insulin syringes, vasodilators (cardiac indications only), anticoagulants, hemorreolgic agents, glaucoma drugs, drugs for the treatment of Parkinson's disease, antilipemic drugs and oral antineoplastic drugs and drugs for the treatment of asthma and other chronic respiratory diseases and prescription vitamin and mineral supplements for renal patients, and drugs approved for the treatment of alzheimer's disease, drugs used for the treatment of depression, those drugs approved for the treatment of urinary incontinence, anti infectives, drugs used for the treatment of arthritis, drugs approved for the treatment of osteoporosis, and

neuraminidase inhibiting drugs indicated for the treatment of influenza A and B.

(ii) "Additional drugs" means noninjectable drugs which require a physician's prescription according to federal law and which are contained in the American Hospital Formulary Service pharmacologic-therapeutic classifications categories that have not been determined by the federal "Drug Efficacy and Safety Implementation (DESI) Commission" to lack substantial evidence of effectiveness, which are not included in the definition of drugs as defined in this subdivision. However, this shall not include prescription drugs used for cosmetic purposes.

(6) "Income" for the purposes of this chapter means the sum of federal adjusted gross income as defined in the Internal Revenue Code of the United States [26 U.S.C. section 1 et seq.] and all nontaxable income including but not limited to, the amount of capital gains excluded from adjusted gross income, alimony, support money, nontaxable strike benefits, cash public assistance and relief (not including relief granted under this chapter), the gross amount of any pension or annuity (including Railroad Retirement Act benefits [45 U.S.C. section 231 et seq.] all payments received under the federal Social Security Act [42 U.S.C. section 301 et seq.] state unemployment insurance laws, and veterans' disability pensions), nontaxable interest received from the federal government or any of its instrumentalities, workers' compensation, and the gross amount of "loss of time" insurance. It does not include gifts from nongovernmental sources, or surplus foods or other relief in kind supplied by a public or private agency.

- (7) "Pharmaceutical manufacturer" means any entity holding legal title to or possession of a national drug code number issued by the federal food and drug administration.
- (8) "Pharmacy" means a pharmacy licensed by the state of Rhode Island and whose place of business is physically located within the state.
- 31 (9) "Pilot program contractor" means Blue Cross and Blue Shield of Rhode Island.
- 32 SECTION 2. This act shall take effect upon passage.

LC00561

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

$A\ N\quad A\ C\ T$

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

This act would include estrogen as an eligible drug under the Pharmaceutical Assistance
to the Elderly Act.

This act would take effect upon passage.