



General Assembly

January Session, 2001

Raised Bill No. 6943

LCO No. 4453

Referred to Committee on Human Services

Introduced by:
(HS)

AN ACT INCREASING THE DISPENSING FEE FOR PHARMACIES SERVING MEDICAID AND CONNPAGE RECIPIENTS AND REQUIRING A STUDY OF THE METHODOLOGY FOR THE REIMBURSEMENT OF PHARMACIES DISPENSING DRUGS TO SUCH RECIPIENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-280 of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 Notwithstanding any provision of the regulations of Connecticut
4 state agencies concerning payment for drugs provided to Medicaid
5 recipients (1) effective July 1, 1989, the state shall reimburse for all
6 legend drugs provided to such recipients at the rate established by the
7 Health Care Finance Administration as the federal acquisition cost, or,
8 if no such rate is established, the commissioner shall establish and
9 periodically revise the estimated acquisition cost in accordance with
10 federal regulations. [The] Effective July 1, 2001, the commissioner shall
11 also establish a professional fee to be paid to licensed pharmacies for
12 dispensing drugs to Medicaid recipients in accordance with federal
13 regulations which shall be five dollars and ten cents for each
14 prescription; and (2) on and after September 4, 1991, payment for

15 legend and nonlegend drugs provided to Medicaid recipients shall be
16 based upon the actual package size dispensed. Effective October 1,
17 1991, reimbursement for over-the-counter drugs for such recipients
18 shall be limited to those over-the-counter drugs and products
19 published in the Connecticut Formulary, or the cross reference list,
20 issued by the commissioner. The cost of all over-the-counter drugs and
21 products provided to residents of nursing facilities, chronic disease
22 hospitals, and intermediate care facilities for the mentally retarded
23 shall be included in the facilities' per diem rate.

24 Sec. 2. Subsection (b) of section 17b-491 of the general statutes is
25 repealed and the following is substituted in lieu thereof:

26 (b) Notwithstanding the provisions of subsection (a) of this section,
27 effective September 15, 1991, payment by the state to a pharmacy
28 under the program may be based on the price paid directly by a
29 pharmacy to a pharmaceutical manufacturer for drugs dispensed
30 under the program minus the copayment charge, plus the dispensing
31 fee, if the direct price paid by the pharmacy is lower than the
32 reasonable cost of such drugs. Effective July 1, 2001, the dispensing fee
33 to be paid to a pharmacy shall be five dollars and ten cents for each
34 prescription drug.

35 Sec. 3. (a) The Commissioner of Social Services, in consultation with
36 the Commissioner of Consumer Protection, shall study the
37 methodology for the reimbursement of pharmacies that dispense
38 drugs to Medicaid and ConnPACE recipients. The study shall include
39 an evaluation of (1) the costs of all services provided by pharmacists,
40 including the dispensing of medications, (2) the various methodologies
41 for reimbursement and levels of reimbursement to pharmacies, and (3)
42 recommendations for fairly compensating pharmacies participating in
43 the Medicaid and ConnPACE programs and for assuring continued
44 access to such pharmacy services.

45 (b) Not later than February 1, 2002, the Commissioner of Social
46 Services shall submit findings and any recommendations to the joint

47 standing committee of the General Assembly having cognizance of
48 matters relating to human services, in accordance with the provisions
49 of section 11-4a of the general statutes.

50 Sec. 4. This act shall take effect July 1, 2001.

Statement of Purpose:

To provide fair reimbursement to pharmacies and to study appropriate reimbursement methodology for pharmacies providing care to Medicaid and ConnPACE recipients in order to fairly compensate such pharmacies and to ensure continued access to pharmaceutical services.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]