



General Assembly

February Session, 2004

Raised Bill No. 8

LCO No. 453

00453_____AGE

Referred to Committee on Select Committee on Aging

Introduced by:
(AGE)

***AN ACT CONCERNING THE PROCUREMENT OF CANADIAN
PRESCRIPTION DRUGS UNDER THE CONNPACE PROGRAM.***

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

1 Section 1. Section 17b-491 of the general statutes, as amended by
2 section 14 of public act 03-2, is repealed and the following is
3 substituted in lieu thereof (*Effective July 1, 2004*):

4 (a) There shall be a "Connecticut Pharmaceutical Assistance
5 Contract to the Elderly and the Disabled Program" which shall be
6 within the Department of Social Services. The program shall consist of
7 payments by the state to pharmacies for the reasonable cost of
8 prescription drugs dispensed to eligible persons minus a copayment
9 charge. The pharmacy shall collect the copayment charge from the
10 eligible person at the time of each purchase of prescription drugs, and
11 shall not waive, discount or rebate in whole or in part such amount.
12 [The] Except as provided in subsection (g) of this section, the
13 copayment for each prescription shall be as follows:

14 (1) Sixteen dollars and twenty-five cents if the participant is (A) not
15 married and has an annual income of less than twenty thousand three

16 hundred dollars, or (B) is married and has an annual income that,
17 when combined with the participant's spouse, is less than twenty-
18 seven thousand five hundred dollars.

19 (2) Upon the granting of a federal waiver to expand the program in
20 accordance with section 17b-492, as amended, the copayment shall be
21 twenty dollars for a participant who is (A) not married and has an
22 annual income that equals or exceeds twenty thousand three hundred
23 dollars, or (B) married and has an annual income that, when combined
24 with the participant's spouse, equals or exceeds twenty-seven
25 thousand five hundred dollars.

26 (b) On January 1, 2002, and annually thereafter, the commissioner
27 shall increase the income limits established in subsection (a) of this
28 section that set the appropriate participant copayment by the increase
29 in the annual inflation adjustment in Social Security income, if any.
30 Each such adjustment shall be determined to the nearest one hundred
31 dollars.

32 (c) Notwithstanding the provisions of subsection (a) of this section,
33 effective September 15, 1991, payment by the state to a pharmacy
34 under the program may be based on the price paid directly by a
35 pharmacy to a pharmaceutical manufacturer for drugs dispensed
36 under the program minus the copayment charge, plus the dispensing
37 fee, if the direct price paid by the pharmacy is lower than the
38 reasonable cost of such drugs.

39 (d) Effective September 15, 1991, reimbursement to a pharmacy for
40 prescription drugs dispensed under the program shall be based upon
41 actual package size costs of drugs purchased by the pharmacy in units
42 larger than or smaller than one hundred.

43 (e) The commissioner shall establish an application form whereby a
44 pharmaceutical manufacturer may apply to participate in the program.
45 Upon receipt of a completed application, the department shall issue a
46 certificate of participation to the manufacturer. Participation by a

47 pharmaceutical manufacturer shall require that the department shall
48 receive a rebate from the pharmaceutical manufacturer. Rebate
49 amounts for brand name prescription drugs shall be equal to those
50 under the Medicaid program. Rebate amounts for generic prescription
51 drugs shall be established by the commissioner, provided such
52 amounts may not be less than those under the Medicaid program. A
53 participating pharmaceutical manufacturer shall make quarterly rebate
54 payments to the department for the total number of dosage units of
55 each form and strength of a prescription drug which the department
56 reports as reimbursed to providers of prescription drugs, provided
57 such payments shall not be due until thirty days following the
58 manufacturer's receipt of utilization data from the department
59 including the number of dosage units reimbursed to providers of
60 prescription drugs during the quarter for which payment is due.

61 (f) All prescription drugs of a pharmaceutical manufacturer that
62 participates in the program pursuant to subsection (e) of this section
63 shall be subject to prospective drug utilization review. Any
64 prescription drug of a manufacturer that does not participate in the
65 program shall not be reimbursable [] unless the department
66 determines the prescription drug is essential to program participants.

67 (g) The commissioner shall establish a procedure by which eligible
68 persons may obtain prescription drugs from Canadian pharmacies.
69 Any eligible person who obtains a prescription drug from a Canadian
70 pharmacy in accordance with the procedure shall not be required to
71 pay a copayment charge for the prescription.

72 Sec. 2. Section 17b-494 of the general statutes is repealed and the
73 following is substituted in lieu thereof (*Effective July 1, 2004*):

74 The Commissioner of Social Services shall adopt regulations, in
75 accordance with the provisions of chapter 54, to establish (1) a system
76 for determining eligibility and disqualification under the program,
77 including provisions for an identification number and a renewable,
78 nontransferable identification card; (2) requirements for the use of the

79 identification number and card by the pharmacy and the eligible
80 person; (3) a system of payments; (4) limitations on the maximum
81 quantity per prescription which shall not exceed a thirty-day supply or
82 one hundred twenty oral dosage units whichever is greater; (5)
83 requirements as to records to be kept by the pharmacy, including
84 patient profiles; (6) products prescribed for cosmetic and other
85 purposes which shall not be covered under the program; (7) a
86 procedure by which eligible persons may obtain prescription drugs
87 from Canadian pharmacies pursuant to section 17b-491, as amended
88 by this act; and [(7)] (8) such other provisions as are necessary to
89 implement the provisions of sections 17b-490 to 17b-495, inclusive, as
90 amended.

This act shall take effect as follows:	
Section 1	<i>July 1, 2004</i>
Sec. 2	<i>July 1, 2004</i>

Statement of Purpose:

To require the Commissioner of Social Services to establish a procedure by which ConnPACE participants may obtain covered prescription drugs from Canadian pharmacies and waive the copayment charge for such drugs.

[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.]