

SSB 5904 - S AMD
By Senator Doumit

1 On page 1, line 16, strike all of section 2 and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 74.09 RCW
4 to read as follows:

5 (1) To the extent funds are appropriated specifically for this
6 purpose, and subject to any conditions placed on appropriations made
7 for this purpose, the department shall design the medicaid prescription
8 drug assistance program. Neither the benefits of, nor eligibility for,
9 the program is considered to be an entitlement.

10 (2) The department is directed to obtain necessary federal waivers
11 to implement this program. Consistent with federal waiver conditions,
12 the department is authorized to charge enrollment fees, premiums, or
13 point-of-service cost-sharing to enrollees of the program.

14 (3) Eligibility for this program is limited to persons: (a) Who
15 are eligible for medicare or age sixty-five and older; (b) whose family
16 income does not exceed one hundred seventy five percent of the federal
17 poverty level as adjusted for family size and determined annually by
18 the federal department of health and human services; (c) who do not
19 otherwise have insurance that provides prescription drug coverage; and
20 (d) who are not otherwise eligible under Title XIX of the federal
21 social security act.

22 (4) The department is authorized to use a cost-effective
23 prescription drug benefit design. Consistent with federal waiver
24 conditions, this benefit design can be different than the benefit
25 design offered under the medical assistance program. The benefit
26 design may include a deductible benefit that provides coverage when
27 enrollees incur higher prescription drug costs as defined by the
28 department. The department also may offer more than one benefit
29 design.

30 (5) The department is authorized to limit enrollment of persons who
31 qualify for the program so as to prevent an overexpenditure of
32 appropriations for this program or to assure necessary compliance with
33 federal waiver budget neutrality requirements. The department shall

1 not reduce existing medical assistance program eligibility or benefits
2 to assure compliance with federal waiver budget neutrality
3 requirements.

4 (6) No funds from an approved federal waiver that allows for the
5 collection of premiums from medicaid clients will be used to finance
6 the medicaid prescription drug assistance program.

7 (7) This program will be terminated within twelve months after
8 implementation of a prescription drug benefit under Title XVIII of the
9 social security act.

10 (8) The department shall provide recommendations to the appropriate
11 committees of the senate and house of representatives by November 15,
12 2003, on financing options available to support the medicaid
13 prescription drug assistance program. In recommending financing
14 options, the department shall explore every opportunity to maximize
15 federal funding to support the program."

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EFFECT: Directs DSHS to seek a waiver to establish a subsidized
prescription drug benefit.