

# HOUSE BILL REPORT

## HB 1774

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### As Reported by House Committee On:

Health Care  
Appropriations

**Title:** An act relating to creating a senior pharmacy assistance program.

**Brief Description:** Creating the senior pharmacy assistance program.

**Sponsors:** Representatives Pennington (co-prime sponsor), Conway (co-prime sponsor), Skinner, Cody, Ballasiotes, Schual-Berke, Campbell, Darneille, Anderson, Armstrong, Roach, Talcott, Edwards, Wood, Schoesler, Santos, Esser, Dunn, Casada, Bush and Mulliken!Conway!.

### Brief History:

#### Committee Activity:

Health Care: 2/13/01, 2/20/01 [DPS];  
Appropriations: 3/1/01, 3/8/01 [DP2S(w/o sub HC)].

#### Brief Summary of Second Substitute Bill

- Creates a senior pharmacy assistance program to help seniors pay for prescription drugs.

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### HOUSE COMMITTEE ON HEALTH CARE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Campbell, Republican Co-Chair; Cody, Democratic Co-Chair; Schual-Berke, Democratic Vice Chair; Alexander, Ballasiotes, Conway, Darneille, Edmonds, Edwards, Marine, McMorris, Pennington and Ruderman.

**Staff:** Dave Knutson (786-7146).

### Background:

Many seniors over age 65 do not have insurance coverage that provides prescription drug coverage. Paying for prescription drugs out of pocket is a major financial burden for many seniors on fixed incomes.

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**Summary of Substitute Bill:**

The administrator of the Health Care Authority will develop a senior pharmacy assistance program for individuals 65 years of age and older. To qualify, an individual must: (1) have an income between the Medicaid eligibility standard and 300 percent of the federal poverty limit, (2) not qualify for other prescription drug programs, (3) not be covered by a private insurance prescription drug plan, (4) not have voluntarily canceled a public or private insurance plan that provides prescription drug coverage, and (5) pay a coinsurance amount based on their household income. Program participants who misstate their income may be required to repay any assistance provided to them or be subject to a civil penalty.

The maximum annual benefit under the program is \$1,500.

**Substitute Bill Compared to Original Bill:**

The income eligibility is modified by setting both a floor and a ceiling for program participants. The coinsurance amount program participants must pay will vary by household income. The administrator of the Health Care Authority is authorized to recoup overpayments and impose civil penalties.

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**Appropriation:** None.**Fiscal Note:** Requested on February 12, 2001.**Effective Date of Substitute Bill:** Ninety days after adjournment of session in which bill is passed.**Testimony For:** Senior citizens need help paying for prescription drugs. A state program can target those in greatest need.**Testimony Against:** None.**Testified:** Representative Conway, co-prime sponsor; Representative Pennington, co-prime sponsor; and Eleanor Owen, NAMI/WAMI and Mental Health Association of Washington.

(Concerns) Paulette Walker-Roe, Washington State Pharmacists Association; Lis Merten, National Association of Chain Drug Stores; and Cliff Webster, Pharmaceutical Research and Manufacturers of America.

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**HOUSE COMMITTEE ON APPROPRIATIONS**

**Majority Report:** The second substitute bill be substituted therefor and the second substitute bill do pass and do not pass the substitute bill by Committee on Health Care. Signed by 31 members: Representatives Sehlin, Republican Co-Chair; H. Sommers, Democratic Co-Chair; Barlean, Republican Vice Chair; Doumit, Democratic Vice Chair; Lisk, Republican Vice Chair; Alexander, Benson, Boldt, Buck, Clements, Cody, Cox, Dunshee, Fromhold, Gombosky, Grant, Kagi, Keiser, Kenney, Kessler, Lambert, Linville, Mastin, Mulliken, Pearson, Pflug, Ruderman, D. Schmidt, Schual-Berke, Talcott and Tokuda.

**Staff:** Dave Knutson (786-7146).

**Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care:**

The funding for the senior prescription drug assistance program is made contingent upon the passage of federal funding. If federal funding is not received by March 1, 2002, the bill is null and void.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

**Effective Date of Second Substitute Bill:** Ninety days after adjournment of session in which bill is passed. However, the bill is null and void unless the state receives federal funding for the purposes of section 3 of this act by March 1, 2002.

**Testimony For:** None.

**Testimony Against:** None.

**Testified:** None.