# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Health Care Committee**

### HB 1214

**Brief Description:** Making prescription drugs more available.

**Sponsors:** Representatives Cody and Pflug; by request of Governor Locke.

#### **Brief Summary of Bill**

- · Creates a medicaid prescription drug benefit for senior citizens.
- Creates a prescription drug clearing house to assist seniors in obtaining prescription drugs through public and private programs.

**Hearing Date:** 1/21/03

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

#### **Background:**

The Medicare program does not currently provide a prescription drug benefit for senior citizens. If a senior can afford to purchase a Medicare supplement policy, they can cover themselves for the cost of prescription drugs. Until the federal government acts to include prescription drug coverage for all seniors, a portion of the senior population will continue to lack coverage. Seniors are currently employing several strategies to obtain prescription drugs, including purchasing drugs out of the country, participating in pharmaceutical manufacturers free or reduced cost programs, and looking to state governments for assistance.

#### **Summary of Bill:**

The Department of Social and Health Services is directed to obtain the necessary federal waivers to implement a medicaid senior prescription drug program for persons over age 65 who meet certain financial eligibility standards, and do not have insurance coverage that includes prescription drug coverage.

The Health Care Authority administrator will establish a senior prescription drug information clearinghouse to help people over age 65 to purchase prescription drugs through available public and private programs. The administrator will also establish a public/private

purchasing consortium to secure prescription drugs at competitive prices for consortium members. Private members of the consortium may be charged reasonable fees to cover the administrative costs of their participation.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

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