HOUSE RESEARCH **ORGANIZATION** bill analysis 5/6/2003 SUBJECT: Prescription drug information and assistance program for seniors COMMITTEE: Select Committee on State Health Care Expenditures — committee substitute

VOTE: 10 ayes — Delisi, Gutierrez, Berman, Capelo, Crownover, Harper-Brown, Miller, Truitt, Uresti, Wohlgemuth

0 nays

recommended

1 absent — Deshotel

WITNESSES: (On original version:)

For - Ruth Bowling, Texas Silver Haired Legislature; Lynda Ender, The Senior Source and Senior Citizens of Greater Dallas: Lisa McGiffert. **Consumers Union**

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(CSHB 1090 by Uresti)

Miller

Against — David Gonzales, Texas Pharmacy Association; Karen Reagan, Texas Retailers Association and Federation of Drug Stores; Daryl Spence

On — Trey Burndt and Curtis Burch, Health and Human Services Commission; Phyllis Coombes and Maria Mendez-Lewis, Comptrollers Office; Jo Ann Hargraves, Schering-Plough External Affairs; Holly Jacques, Merck & Co.; Gaspar Laca, Glaxo SmithKline; Richard Powder, Johnson & Johnson

BACKGROUND: The federal Medicare program offers health care coverage for people over age 65 at different levels of assistance. Medicare does not offer a prescription drug benefit. Some seniors choose to obtain additional health insurance to cover prescription drugs, while others might be eligible for Medicaid.

DIGEST. CSHB 1090 would permit the Texas Department on Aging (TDoA) to establish and operate a Texas Cares program to offer information and assistance about pharmaceutical companies' discount programs.

The goal of the program would be to increase awareness of these programs and, if funds permitted, to offer information about the programs on TDoA's

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website, through a toll-free number, and by distribution of brochures. TDoA could conduct outreach activities and coordinate the activities of the program with the activities of the local area agencies on aging.

TDoA could solicit and accept gifts, grants, and donations for the program. It also could recruit and train volunteers to help with the program.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2003.

SUPPORTERS SAY: CSHB 1090 would authorize TDoA to provide a needed service by informing seniors about ways to reduce their prescription drug costs. Many drug manufacturers offer discount programs for senior citizens, yet few people know about them. For example, the Pfizer Share Card permits low-income Medicare enrollees to purchase each Pfizer drug for \$15 per month and the Merck Patient Assistance Program offers assistance for low-income people. Many seniors are unaware that they can enroll in programs like these, even though they could make their prescriptions more affordable or, in some cases, free.

Currently, some seniors learn about these programs through their pharmacists, community groups, churches, or other assisting organizations, but the information is not uniform nor is it well disseminated across the state.

A similar education program in Georgia has worked well. The *Georgia Cares* program is a private-public partnership sponsored by the Georgia Department of Human Resources, Division of Aging Services, and area agencies on aging. It is a volunteer-based program that assists seniors with low cost prescription drug assistance, as well as other health insurance issues. Texas' program would be modeled on Georgia Cares.

The committee substitute would not unfairly burden pharmacists. The bill as introduced would have limited pharmacy reimbursement to Medicaid reimbursement levels when filling prescriptions for Medicare recipients. Instead the committee substitute would build on the assistance some pharmacies already offer to enroll seniors in assistance programs.

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OPPONENTS SAY:	This bill would do nothing to help seniors afford the prescription drugs they need. The drug manufacturers' programs have very narrow eligibility and are limited in the number of dosages that can be obtained at one time. Also, the programs only are specific to the drugs manufactured by the sponsoring company, so the savings would apply only to some of the drugs. Texas seniors need relief from the high cost of prescription drugs, which this bill would not provide.
	This bill is unnecessary because TDoA already publicizes the availability of these programs. Its website includes a list of resources, including the Pfizer, GlaxoSmithKline, and Eli Lilly programs, and links for prescription programs. This resource is available statewide to all Texas seniors.
OTHER OPPONENTS SAY:	Texas should not be in the business of promoting pharmaceutical companies' products. These companies have vast marketing resources and are capable of promoting their own products. Texas should not waste state resources doing the same thing.
NOTES:	The bill as introduced differs from the committee substitute in that it would have required pharmacies that were providers for the Medicaid Vendor Drug Program to offer seniors who were Medicare enrollees prescriptions at the Medicaid cost. It also would have required the disclosure of Medicaid prescription drug prices on a website with links to prescription drug discount programs.