

EXECUTIVE CHAMBERS

HONOLULU

LINDA LINGLE

GOV. MSG. NO. 795

July 3, 2006

The Honorable Robert Bunda, President and Members of the Senate Twenty-Third State Legislature State Capitol, Room 003 Honolulu, Hawaii 96813

Dear Mr. President and Members of the Senate:

This is to inform you that on July 3, 2006, the following bill was signed into law:

SB3003 SD2 HD2 CD1

A BILL FOR AN ACT RELATING TO THE STATE PHARMACY ASSISTANCE PROGRAM. (ACT 264)

Sincerely,

INDA LINGLE

THE SENATE TWENTY-THIRD LEGISLATURE, 2006 STATE OF HAWAII S.B. NO. 3003 S.D. 2 H.D. 2

A BILL FOR AN ACT

RELATING TO THE STATE PHARMACY ASSISTANCE PROGRAM.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

Section 346-343, Hawaii Revised Statutes, is SECTION 1. 1 amended by amending subsections (a) and (b) to read as follows: 2 "(a) All residents of the State shall be eligible to 3 participate in the state pharmacy assistance program; provided 4 that the applicant: 5 Is a resident of Hawaii; 6 (1)Is sixty-five years or older, or is disabled and (2) 7 receiving a social security benefit; 8 Has a household income at or below one hundred fifty (3) 9 per cent of the federal poverty level; 10 Meets the asset test; and (4)11 Is not a member of a retirement plan who is receiving (5)12 a benefit from the Medicare Modernization Act. 13 State pharmacy assistance program applicants who are 14 enrolled in any other public assistance program providing 15 pharmaceutical benefits, other than the Medicare Modernization 16 $Act[\tau]$ and medicaid, shall be ineligible for the state pharmacy 17 assistance program as long as they receive pharmaceutical 18

- 1 benefits from that other public assistance program, unless the
- 2 applicant is eligible for medicare. Residents who qualify for,
- 3 or are enrolled in, the Hawaii [+]Rx plus program[+] shall be
- 4 eligible for the state pharmacy assistance program; provided
- 5 that they meet all other state pharmacy assistance program
- 6 requirements."
- 7 SECTION 2. Section 346-344, Hawaii Revised Statutes, is
- 8 amended by amending subsections (a) and (b) to read as follows:
- 9 "(a) For persons meeting the eligibility requirements in
- 10 section 346-343, the state pharmacy assistance program may pay
- 11 all or some of the co-payments required under the federal
- 12 medicare part D pharmacy benefit program, subject to [receipt of
- 13 sufficient rebates pursuant to section 346-342(g), the
- 14 sufficiency of funds in the state pharmacy assistance program
- 15 special fund, as determined by the department.
- 16 (b) The state pharmacy assistance program is the payor of
- 17 last resort subject to [receipt of sufficient rebates pursuant
- 18 to section 346-342(q) the sufficiency of funds in the state
- 19 pharmacy assistance program special fund, as determined by the
- 20 department."
- 21 SECTION 3. Section 346-344, Hawaii Revised Statutes, is
- 22 amended by amending subsection (c) to read as follows:

S.B. NO. 3003 S.D. 2 H.D. 2

1	"(c)	The	state	pharmacy	assistance	program	shall	be	funded
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- 2 with state appropriations, including funds derived from revenues
- 3 to the State from rebates paid by pharmaceutical manufacturers
- 4 pursuant to section 346-342(g), [which may affect the level of
- 5 benefits to program enrollees pursuant to subsection (a)
- 6 depending on the amount of the rebates received by the State to
- 7 cover all program benefits and costs of administering the
- 8 program] and with savings resulting from medicare prescription
- 9 drug coverage for the medicaid dual eligible population."
- 10 SECTION 4. There is appropriated out of the general
- 11 revenues of the State of Hawaii the sum of \$600,000, or so much
- 12 thereof as may be necessary for fiscal year 2006-2007, for the
- 13 state pharmacy assistance program.
- 14 The sum appropriated shall be expended by the department of
- 15 human services for the purposes of this Act.
- 16 SECTION 5. Statutory material to be repealed is bracketed
- 17 and stricken. New statutory material is underscored.
- SECTION 6. This Act shall take effect on July 1, 2006;
- 19 provided that section 3 shall take effect on July 1, 2007.

GOVERNOR OF THE STATE OF HAWAII

Approved this day: JUL - 3 2006

THE SENATE OF THE STATE OF HAWAII

Date: May 2, 2006 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006.

President of the Senate

Clerk of the Senate

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 2, 2006 Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the House of Representatives of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006.

Speaker, House of Representatives

Clerk, House of Representatives