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FISCAL IMPACT REPORT

SPONSOR: Picraux DATE TYPED: 03/02/01 HB 302/aHFL#1
 SHORT TITLE: Prescription Drug Benefit for Seniors SB _____
 ANALYST: Carrillo

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		See Narrative			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Retiree Health Care Authority
 State Agency on Aging
 Health Policy Commission

SUMMARY

Synopsis of HFL. Amendment #1

House Floor Amendment #1 to House Bill 302 clarifies the language referring to the contracted discounted price available to the Retiree Health Care Authority.

Synopsis of Original Bill

House Bill 302 proposes to amend the Retiree Health Care Act, specifically Section 10-7C-5, to provide a senior prescription drug program. The bill establishes the Senior Prescription Drug Program Fund.

Significant Issues

The eligibility criteria set forth in HB302 is:

- Be a resident of the state
- Be 65 years of age
- Not have any other prescription drug benefit

A qualifying senior will pay an annual enrollment fee not to exceed \$60.00. The Retiree Health Care Authority (RHCA) will collect and use the enrollment fees for program administration costs, including disseminating general information about the program.

The amount a qualifying senior pays for a prescription drug shall not exceed the total cost of the dispensing fee plus the discounted price made available to or negotiated by the RHCA.

FISCAL IMPLICATIONS

HB302 creates the Senior Prescription Drug Program Fund and provides for revenues from an annual enrollment fee, not to exceed \$60.00 per year per individual. The bill includes a non-reverting clause.

The fiscal implications of the proposed legislation are indeterminate at this time. The fiscal impacts, both costs and revenue, depend on the number of eligible seniors enrolling in the program.

ADMINISTRATIVE IMPLICATIONS

The administrative impact depends on the number of eligible seniors enrolling in the program, and their customer service needs.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

HB302 relates to:

- HB2, General Appropriation Act of 2001
- HB297, NM Prescription Drug Discount Act
- HB298, Native American Prescription Drug Program
- HB299, Any Willing Provider Act
- HB300, Special Prescription Drug Program for Seniors
- HB301, Prescription Drug Fair Pricing Act
- HB303, Standard Co-Pay on Prescription Drugs
- HJM21, Affordable Drug Program Options for Seniors
- HJM22, Study Rising Costs of Prescription Drugs
- SB98, General Appropriation Act of 2001
- SB140, Native American Prescription Drug Program
- SB141, Prescription Drug Fair Pricing Act
- SB142, NM Prescription Drug Discount Act
- SB143, Medicaid Prescription Drug Plan for Seniors
- SB144, Prescription Drug Bulk Purchasing Act
- SJM8, Medicare Outpatient Pharmacy Benefit
- SJM9, Fill Prescriptions at Federal Health Centers

TECHNICAL ISSUES

HB302 does not include a provision making the fees collected for the program subject to legislative appropriation.

WJC/njw:ar