

AN ACT

RELATING TO PRESCRIPTION DRUG COVERAGE; CHANGING THE NAME OF THE SENIOR PRESCRIPTION DRUG PROGRAM TO THE DISCOUNT PRESCRIPTION DRUG PROGRAM; REMOVING THE AGE REQUIREMENT; CHANGING THE NAME OF THE SENIOR PRESCRIPTION DRUG PROGRAM FUND TO THE DISCOUNT PRESCRIPTION DRUG PROGRAM FUND; AMENDING AND REPEALING SECTIONS OF THE NMSA 1978.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 10-7C-17 NMSA 1978 (being Laws 2002, Chapter 75, Section 2 and Laws 2002, Chapter 80, Section 2, as amended) is amended to read:

"10-7C-17. CREATION OF DISCOUNT PRESCRIPTION DRUG PROGRAM.--

A. The "discount prescription drug program" is created in the authority.

B. To be eligible for the discount prescription drug program, a person shall be a resident of the state.

C. Upon a determination that the person qualifies for the discount prescription drug program, the authority may assess an annual administrative fee not to exceed sixty dollars (\$60.00) per year. The authority shall collect the fees, which shall be used by the authority to cover the cost of administering the program.

D. The amount a qualified person pays for a prescription drug shall not exceed the total cost of the dispensing fee plus the contracted discounted price made available to the authority for the prescription drug.

E. The authority shall enroll and provide participants with electronic or other form of membership identification for use by pharmacies for each transaction.

F. The authority shall actively promote membership and benefit information on the discount prescription drug program to seniors and the general public throughout the state."

Section 2. Section 10-7C-18 NMSA 1978 (being Laws 2002, Chapter 75, Section 3 and Laws 2002, Chapter 80, Section 3) is amended to read:

"10-7C-18. FUND CREATED.--The "discount prescription drug program fund" is created in the state treasury. All fees collected pursuant to Subsection C of Section 10-7C-17 NMSA 1978 and all rebates received from drug manufacturers shall be deposited in the fund and shall be used for the purposes of the discount prescription drug program. Money appropriated to the fund or accruing to it through rebates, gifts, grants, fees or bequests shall be deposited in the fund. Earnings from investment of the fund shall be credited to the fund. Money in the fund is appropriated to the authority for the purpose of administering the discount prescription drug

program. Money in the fund shall not revert at the end of any fiscal year. Disbursements from the fund shall be made upon warrants drawn by the secretary of finance and administration pursuant to vouchers signed by the director of the authority or the director's authorized representative. The authority shall annually adjust the enrollment fee to permit necessary administration of the program but shall not exceed the amount established in Subsection C of Section 10-7C-17 NMSA 1978."

Section 3. Section 10-7C-19 NMSA 1978 (being Laws 2002, Chapter 75, Section 4 and Laws 2002, Chapter 80, Section 4) is amended to read:

"10-7C-19. AUDIT--FEE RECOMMENDATION.--Annually the legislative finance committee shall conduct a fiscal audit of the discount prescription drug program fund and the administration of the program, including rebates negotiated for the prescription drugs purchased by participants, and shall recommend if and how much of an annual fee is necessary for participants in the program."

Section 4. REPEAL.--Section 27-1-15 NMSA 1978 (being Laws 2005, Chapter 160, Section 1) is repealed. _____