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HOUSE JOINT RESOLUTION NO. 90

Offered January 9, 2002

Prefiled January 8, 2002

Continuing the Joint Commission on Prescription Drug Assistance.

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Referred to Committee on Rules

WHEREAS, House Joint Resolution No. 810 established a joint commission to study and develop ways and means to provide prescription drug assistance to needy senior citizens and to coordinate state and federal programs providing such assistance; and

WHEREAS, during the course of the study the joint commission examined the approaches being used by at least 29 other states who have established or authorized some type of program to provide pharmaceutical coverage or assistance, primarily to low-income elderly or persons with disabilities who do not qualify for Medicaid; and

WHEREAS, these programs are of great importance to the individuals that fall into these income categories because it is estimated that health care expenditures accounted for 32 percent of income for older persons in the lowest fifth of the income distribution scale and prescription drug costs accounted for 40 percent of out-of-pocket payments for health care goods and services; and

WHEREAS, although enrollment across the country has increased over the last year, still only about three percent of Medicare beneficiaries are covered by such programs; and

WHEREAS, in Virginia, the Medicare-eligible population is approximately 930,000, with approximately 400,000 of those people without any form of prescription assistance from Medigap, employer-sponsored, or other type of prescription assistance plan, and many of those plans cover only a fraction of the cost; and

WHEREAS, because of their age and accompanying physical ailments, Medicare beneficiaries are more vulnerable to high prescription costs because of their disproportionate use of prescription medication; and

WHEREAS, Medicaid is a health insurance entitlement program funded jointly by federal and state government for certain low-income populations, including about 12 percent of Medicare beneficiaries nationwide; and

WHEREAS, participants in the Medicaid program receive prescription drug assistance but the program in Virginia is limited to those eligible persons whose income is 80 percent of the federal poverty level or less; and

WHEREAS, Virginia, in FY 2000, spent approximately \$223 million, 2.2 percent of its total general fund budget, on prescription drugs, accounting for an 86 percent increase over what was spent in 1996 for persons receiving services from the Departments of Medical Assistance Services, Mental Health, Mental Retardation and Substance Abuse Services, Health, Corrections, Juvenile Justice, and Human Resource Management; and

WHEREAS, although the federal government has made some preliminary commitments towards instituting a Medicare prescription program or providing funding to the states to enable them to initiate their own programs, a recent court issued an injunction halting the proposed federal program and recent events of the fall have preempted funding for any programs at the current time; and

WHEREAS, the joint commission, after analyzing a number of approaches, planned to issue interim recommendations to address the needs of those persons in the lowest income range to help them meet the high cost of their prescription drugs, but felt that it was premature for a number of reasons to offer a final recommendation for a comprehensive prescription drug plan; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Commission on Prescription Drug Assistance be continued. The Commission shall be composed of eight members, which shall include six legislative members and two nonlegislative members as follows: four members of the House of Delegates, to be appointed by the Speaker of the House, in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; two members of the Senate, to be appointed by the Senate Committee on Privileges and Elections; one nonlegislative member at-large to be appointed by the Speaker of the House; and, one nonlegislative member at-large to be appointed by the Senate Committee on Privileges and Elections. Staffing shall continue to be provided by the Division of Legislative Services.

All agencies of the Commonwealth shall provide assistance to the Joint Commission, upon request.

The direct costs of this study shall not exceed \$10,200.

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59 The Joint Commission shall complete its work by November 30, 2002, and shall submit its written
60 findings and recommendations to the Governor and the 2003 Session of the General Assembly as
61 provided in the procedures of the Division of Legislative Automated Systems for the processing of
62 legislative documents.

63 Implementation of this resolution is subject to subsequent approval and certification by the Joint
64 Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the
65 study.