

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

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**HOUSE BILL 1232**

Short Title: Prescription Drug Assistance for Seniors. (Public)

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Sponsors: Representatives Redwine; Baddour, Easterling, Oldham (Primary Sponsors), Adams, Alexander, Allen, Barefoot, Culpepper, Cunningham, Dedmon, Earle, Gibson, Goodwin, Hackney, Morris, Nesbitt, Owens, Russell, Thompson, and Wainwright.

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Referred to: Health.

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April 12, 2001

A BILL TO BE ENTITLED

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2 AN ACT TO DIRECT THE HEALTH AND WELLNESS TRUST FUND  
3 COMMISSION TO ENDEAVOR TO FUND PROGRAMS AND INITIATIVES  
4 TO EXPAND ACCESS TO PRESCRIPTION DRUGS FOR SENIORS.

5       Whereas, the affordability of prescription drugs has become a great burden to  
6 North Carolina's senior citizens; and

7       Whereas, Medicare typically does not pay for prescription drugs; and

8       Whereas, nearly half of Medicare beneficiaries do not have coverage for  
9 prescription drugs for the entire year; and

10       Whereas, prescription drug spending accounts for one-sixth of all out-of-  
11 pocket spending for senior citizens; and

12       Whereas, it is estimated that for the year 2000, Medicare fee for service  
13 beneficiaries spent on average, \$1,370 for prescription drugs; and

14       Whereas, it has been reported that in 1998, 5% of older persons spent more  
15 than \$4,100 on prescription drugs, and 1% spent more than \$6,600; and

16       Whereas, prescription drug costs are increasing at a double digit rate per year;  
17 and

18       Whereas, approximately 30 communities in North Carolina have established  
19 programs to expand access to prescription drugs for local residents; and

20       Whereas, over 20 states have established statewide prescription drug  
21 assistance programs; and

22       Whereas, President Bush sent to Congress a proposal on January 29, 2001,  
23 called "Immediate Helping Hand" that would provide support to states over four years  
24 to cover the full cost of drugs for the poorest senior adults and part of the cost for those  
25 at slightly higher incomes; and

1           Whereas, the General Assembly established, pursuant to Article 6C of  
2 Chapter 147 of the General Statutes, the Health and Wellness Trust Fund in the Office  
3 of the State Treasurer to be used to finance programs and initiatives to improve the  
4 health and wellness of the people in North Carolina; and

5           Whereas, moneys from the fund may be used to address the health needs of  
6 vulnerable and underserved populations in North Carolina; and

7           Whereas, the Health and Wellness Trust Fund Commission has the duty to  
8 develop criteria for awarding grants under the Article that will include programs  
9 addressing the short- and long-term health and wellness of the citizens of North  
10 Carolina; Now, therefore,

11 The General Assembly of North Carolina enacts:

12           **SECTION 1.** The Health and Wellness Trust Fund Commission shall, as it  
13 develops criteria for awarding grants under Article 6C of Chapter 147 of the General  
14 Statutes, endeavor to include criteria that will enable programs and initiatives  
15 addressing the need to expand access to prescription drugs to North Carolina senior  
16 citizens to receive grants from the Fund. In making the grants, the Commission shall  
17 consider, and coordinate with, the availability of any federal funds allocated to North  
18 Carolina pursuant to any federal initiative to provide financial assistance to senior  
19 citizens for the cost of prescription drugs.

20           In making its annual report to the Joint Legislative Commission on  
21 Governmental Operations and to the chairs of the Joint Legislative Health Care  
22 Oversight Committee regarding the implementation of the Article, the chair of the  
23 Health and Wellness Trust Fund Commission shall report on the programs and  
24 initiatives to expand access to prescription drugs to senior citizens that were funded by  
25 the Trust Fund. The report shall include the amount of funds disbursed for programs  
26 and initiatives to expand access to prescription drugs to senior citizens and the success  
27 of those programs and initiatives towards helping senior citizens obtain prescription  
28 drugs.

29           **SECTION 2.** This act is effective when it becomes law.