

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1232
Second Edition Engrossed 4/26/01

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

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.

Referred to: Health.

April 12, 2001

A BILL TO BE ENTITLED

1
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, include criteria that will enable programs and initiatives addressing the need to
15 expand access to prescription drugs to North Carolina senior citizens to receive grants
16 from the Fund. In making the grants, the Commission shall consider, and coordinate
17 with, the availability of any federal funds allocated to North Carolina pursuant to any
18 federal initiative to provide financial assistance to senior citizens for the cost of
19 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.