

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
FIRST SESSION
LEGISLATIVE BILL 577

Introduced by Kruse, 13

Read first time January 17, 2007

Committee: Health and Human Services

A BILL

1 FOR AN ACT relating to the Medical Assistance Act; to amend section
2 68-901, Revised Statutes Cumulative Supplement, 2006;
3 to provide for reimbursements for generic prescriptions
4 as prescribed; to repeal the original section; and to
5 declare an emergency.
6 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 68-901, Revised Statutes Cumulative
2 Supplement, 2006, is amended to read:

3 68-901 Sections 68-901 to 68-949 and sections 2 to 4 of
4 this act shall be known and may be cited as the Medical Assistance
5 Act.

6 Sec. 2. (1) The department shall establish a minimum
7 reimbursement under the medical assistance program for pharmacy
8 dispensing services related to multiple-source generic prescription
9 drugs that reflects state pharmacies' actual costs to dispense
10 those drugs at a reasonable cost and is not less than twelve
11 dollars per prescription.

12 (2) The reimbursement established pursuant to subsection
13 (1) of this section shall be set at the federal upper limit, if
14 any, reimbursement level established by the federal government for
15 each multiple-source generic prescription drug.

16 (3) On July 1, 2008, and annually thereafter, the minimum
17 reimbursement amount established under subsection (1) of this
18 section for the previous fiscal year shall be increased by the
19 annual percentage increase as of July of the previous calendar year
20 in the Consumer Price Index for Medical Care, United States City
21 Average.

22 (4) The department may use state tax revenue to fund
23 a study to determine state pharmacies' actual costs to dispense
24 multiple-source generic prescription drugs.

25 Sec. 3. The department may:

1 (1) Establish reimbursement levels for pharmacy
2 dispensing services that exceed the minimum reimbursement levels
3 established under section 2 of this act; or

4 (2) Create additional incentives for utilization of
5 lower-cost multiple-source generic prescription drugs to cover
6 any other costs associated with dispensing prescriptions pursuant
7 to the medical assistance program, including, but not limited
8 to, medication therapy management services, costs related to the
9 coordination of benefits, bad debt, uncollected copayments, payment
10 delays, or higher rates of rejected pharmacy provider claims under
11 the program.

12 Sec. 4. Any increase to pharmacy reimbursement for
13 dispensing services implemented under sections 2 and 3 of this
14 act shall be retroactive to the date of state implementation of the
15 average-manufacturer-price-based federal upper limit reimbursement
16 levels mandated under the federal Deficit Reduction Act of 2005.

17 Sec. 5. Original section 68-901, Revised Statutes
18 Cumulative Supplement, 2006, is repealed.

19 Sec. 6. Since an emergency exists, this act takes effect
20 when passed and approved according to law.