

AN ACT

RELATING TO PRESCRIPTION DRUGS; PROVIDING A PRESCRIPTION DRUG BENEFIT TO NEW MEXICO SENIORS; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978; MAKING AN APPROPRIATION.

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

Section 1. Section 10-7C-5 NMSA 1978 (being Laws 1990, Chapter 6, Section 5) is amended to read:

"10-7C-5. AUTHORITY CREATED. --

A. There is created the "retiree health care authority" which is established to provide for comprehensive group health insurance programs under the Retiree Health Care Act. The authority shall be administratively attached to the public school insurance authority until December 31, 1993. The director of the public school insurance authority shall be the executive director of the retiree health care authority until December 31, 1993. The board created by Section 10-7C-6 NMSA 1978 shall remain fully independent of the board of the public school insurance authority.

B. The authority shall also administer the senior prescription drug program in conjunction with or through the consolidated purchasing process pursuant to the Health Care Purchasing Act. "

Section 2. A new section of the Retiree Health Care Act is enacted to read:

"CREATION OF SENIOR PRESCRIPTION DRUG PROGRAM --

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

B. To be eligible for the senior prescription drug program, a person shall:

- (1) be a resident of the state;**
- (2) be sixty-five years of age or older; and**
- (3) not have any other prescription drug**

benefit.

C. Upon a determination that the person qualifies for the senior prescription drug program, the authority shall collect an enrollment fee not to exceed sixty dollars (\$60.00) per year. The authority shall collect the enrollment fees, and the enrollment fees 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.

E. The authority shall provide general information to the public about the availability of the senior prescription drug program.

F. The "senior prescription drug program fund" is created. The fund shall consist of enrollment fees collected pursuant to Subsection C of this section, and shall be used

by the authority to administer the senior prescription drug program. The authority shall adjust the enrollment fee to reflect the cost of administering the program but shall not exceed the amount provided for in Subsection C of this section. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund. "
