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HOUSE BILL 200

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Danice R. Picraux

FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

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 [executive] director of the public school insurance
authority shall be the executive director of the retiree

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1 health care authority until December 31, 1993. The board
2 created by Section [~~6 of the Retiree Health Care Act~~] 10-7C-6
3 NMSA 1978 shall remain fully independent of the board of the
4 public school insurance authority.

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

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

11 "[NEW MATERIAL] CREATION OF SENIOR PRESCRIPTION DRUG
12 PROGRAM --

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

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

- 17 (1) be a resident of the state;
- 18 (2) be sixty-five years of age or older; and
- 19 (3) not have any other prescription drug
20 benefit.

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

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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 in the state treasury. All fees collected pursuant to Subsection C of this section shall be deposited in the fund and shall be used by the authority to administer the senior prescription drug program. Money appropriated to the fund or accruing to it through gifts, grants, fees or bequests shall be deposited in the fund. Earnings from investment of the fund shall be credited to the general fund. Money in the fund shall not revert at the end of any fiscal year. Disbursements from the fund shall be made upon warrants drawn by the secretary of finance and administration pursuant to vouchers signed by the director of the authority or his authorized representative. The authority shall annually adjust the enrollment fee to permit necessary administration of the program but shall not exceed the amount established in Subsection C of this section."