

30:4D-20 et. seq.

LEGISLATIVE HISTORY CHECKLIST

NJSA 30:4D-20 through 30:4D-24 (Pharmaceutical Assistance to the Aged)

Laws of 1975 Chapter 194

Bill No. S 755

Sponsor(s) Merlino, Feldman, Bateman

Date Introduced February 4, 1974

Committee: Assembly Revenue, Finance & Appropriations

Senate Institutions, Health & Welfare

Amended during passage Yes

Amendments during passage denoted by asterisks,

Date of passage: Assembly August 1, 1975

Senate July 21, 1975

Date of approval August 21, 1975

Following statements are attached if available:

Sponsor statement Yes

Committee Statement: Assembly ~~Yes~~ No

Senate Yes

Fiscal Note & fiscal note to Yes
OCR

Veto message ~~Yes~~ No

Message on signing Yes

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

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APPROVED 8/2/75

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SENATE, No. 755

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 4, 1974

By Senators MERLINO, FELDMAN and BATEMAN

Referred to Committee on Institutions, Health and Welfare

[A SUPPLEMENT to] **An Act to supplement** the "New Jersey Medical Assistance and Health Services Act," (P. L. 1968, c. 413) **and making an appropriation therefor*.*

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. The commissioner shall establish a program which shall be
2 known as "Pharmaceutical Assistance to the Aged."

1 2. Any resident of this State 65 years of age and over whose
2 annual income is less than \$9,000.00 shall be eligible for "Pharma-
3 ceutical Assistance ***[for]*** **to** the Aged" if he is not otherwise
4 qualified for assistance under ***[this]*** **the** act **to which this act*
5 *is a supplement*.*

1 3. The program of "Pharmaceutical Assistance to the Aged"
2 shall consist of payments or reimbursements ***[to an eligible**
3 **person]*** for **80% of** the costs of ***[all his]*** prescription drugs
4 **of eligible persons** which exceed ***[3% of his annual income]*** *:*

5 *a. 1.5% of annual income for eligible persons whose annual*
6 *income is more than a level of income which would qualify them*
7 *for assistance under the act to which this act is a supplement,*
8 *hereinafter referred to as the "assistance level," but less than*
9 *1 1/3 times said assistance level; or*

10 *b. 1.5% of 1 1/3 times said assistance level plus 5% of the*
11 *difference between annual income and 1 1/3 times said assistance*
12 *level for eligible persons whose annual income falls between 1 1/3*
13 *times said assistance level and \$9,000.00.*

14 *For purposes of this act, "prescription drugs" means all legend*
15 *drugs and insulin*.*

1 **4. Any otherwise eligible person whose prescription drug costs*
2 *are wholly covered by any other plan of assistance or insurance*

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

3 shall be ineligible for assistance under the provisions of this act.
4 Any otherwise eligible person whose prescription drug costs are
5 covered in part by any other plan of assistance or insurance may
6 receive supplemental assistance under the provisions of this act.*

1 ***[4.]*** *5.* The commissioner shall by regulation establish a
2 system **of payments or reimbursements and a system** for deter-
3 mining eligibility*, including provisions for submission of proof
4 of expenditures for prescription drugs, actual and anticipated
5 annual income, and evidence ***[from a licensed practitioner in all**
6 cases where drugs are prescribed on a continual basis. The system
7 of payments and reimbursement shall provide for a system of
8 reimbursing persons who have large single prescription drug
9 expenditures and a system of reimbursing the providers in cases
10 where there is prolonged use of prescribed drugs.]* **of complete*
11 *or partial coverage of prescription drug costs by any other assist-*
12 *ance or insurance plans.**

1 ****[*[5.]*** *6.* There is **hereby** appropriated ***[for the pur-**
2 poses of this act such sums as shall be included in an annual or
3 supplemental appropriation act]* **from the General State Fund*
4 *for the purpose of carrying out the provisions of this act, the sum*
5 *of \$2,500,000.00.*]***

1 ***[6.]**[*7.]**** *6.** This act shall take effect ****[on July 1**
2 next succeeding enactment]** ***immediately***.

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SENATE, No. 755

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 4, 1974

By Senators MERLINO, FELDMAN and BATEMAN

Referred to Committee on Institutions, Health and Welfare

A SUPPLEMENT to the "New Jersey Medical Assistance and Health Services Act," (P. L. 1968, c. 413).

1 BE IT ENACTED *by the Senate and General Assembly of the State*
2 *of New Jersey:*

1 1. The commissioner shall establish a program which shall be
2 known as "Pharmaceutical Assistance to the Aged."

1 2. Any resident of this State 65 years of age and over whose
2 annual income is less than \$9,000.00 shall be eligible for "Phar-
3 maceutical Assistance for the Aged" if he is not otherwise qualified
4 for assistance under this act.

1 3. The program of "Pharmaceutical Assistance to the Aged"
2 shall consist of payments or reimbursements to an eligible person
3 for the costs of all his prescription drugs which exceed 3% of his
4 annual income.

1 4. The commissioner shall by regulation establish a system for
2 determining eligibility including provisions for submission of proof
3 of expenditures for prescription drugs, actual and anticipated
4 annual income, and evidence from a licensed practitioner in all cases
5 where drugs are prescribed on a continual basis. The system of
6 payments and reimbursement shall provide for a system of reim-
7 bursing persons who have large single prescription drug expendi-
8 tures and a system of reimbursing the providers in cases where
9 there is prolonged use of prescribed drugs.

1 5. There is appropriated for the purposes of this act such sums
2 as shall be included in an annual or supplemental appropriation act.

1 6. This act shall take effect on July 1 next succeeding enactment.

STATEMENT

More than 560,000 citizens of New Jersey who are 65 years of age or over, have incomes below \$6,000.00 a year, and the expenses

of this group for prescribed drugs are more than twice those for younger people in the population. Medical assistance is provided for approximately 12% of the elderly whose income falls below \$2,000.00 annually, but for many of the elderly above the \$2,000.00 income level there is no assistance in paying for their prescription drug costs.

This bill would supplement the medical assistance programs of the State by providing assistance to the elderly on limited incomes whose prescription drug costs exceed 3% of their annual income. It also directs that the State shall provide a reimbursement system to the providers of prescription drugs in those many instances in which drugs may be prescribed on a continual basis at costs exceeding 3% of annual income.

It is estimated that approximately 40,000 elderly citizens would be assisted under this bill.

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FISCAL NOTE TO
SENATE, No. 755

STATE OF NEW JERSEY

DATED: MAY 15, 1974

Senate Bill No. 755 provides a program of "Pharmaceutical Assistance to the Aged" to reimburse an eligible person for the costs of all prescription drugs which exceed 3 percent of annual income.

The Department of Institutions and Agencies estimates that enactment of this legislation would require additional State expenditures of \$1,725,000.00 in fiscal 1974-75, \$1,912,000.00 in fiscal 1975-76 and \$2,230,000.00 in fiscal 1976-77.

This program will not be eligible for Federal financial participation.

The fiscal note is based on an estimate of costs rather than actual cost information.

In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1962, c. 27.

LA 11 1975

FISCAL NOTE TO
SENATE, No. 755
[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: MAY 2, 1975

The Official Copy Reprint of Senate Bill No. 755 provides a program of "Pharmaceutical Assistance to the Aged" to reimburse certain eligible persons for the costs of all prescription drugs.

Based on statistical data from the United States Social Security Administration and the State Division of Medical Assistance and Health Services, the Department of Institutions and Agencies estimates that enactment of this legislation would require a State expenditure of \$2,839,100.00 in fiscal 1975-76, \$2,967,350.00 in fiscal 1976-77 and \$3,115,680.00 in fiscal 1977-78.

The fiscal note is based on an estimate of costs rather than actual cost information.

In compliance with written request received, there is hereby submitted a fiscal estimate for the above bill, pursuant to P. L. 1962, c. 27.

RESOLVED

APR 17 1975

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**SENATE REVENUE, FINANCE, AND
APPROPRIATIONS COMMITTEE**

STATEMENT TO
SENATE, No. 755
[OFFICIAL COPY REPRINT]

STATE OF NEW JERSEY

DATED: APRIL 7, 1975

This bill would create a medically-indigent program for those 62 years of age and older to pay for some prescription drug costs. Such costs would be paid, in part, for those elderly persons with incomes above the Medicaid eligibility standard and below \$9,000.

The proposed program would pay for 80% of the costs of prescription drugs, after the eligible person has:

(a) Paid 1½% of his annual income, for drugs, when that income is more than the Medicaid standard but less than 133⅓% of the Medicaid assistance standard.

(b) Paid 1½% of his annual income of up to 133⅓% of the Medicaid standard plus 5% of the difference between his total annual income and 133⅓% of the Medicaid standard.

This bill appropriates \$2,500,000.00 and is effective July 1 next following enactment.

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FROM THE OFFICE OF THE GOVERNOR

AUGUST 21, 1975

DICK CAMPBELL

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

Governor Brendan Byrne signed into law Thursday a bill designed to help senior citizens pay their medical bills.

The bill, S-755, sponsored by Sen. Joseph P. Merlino, D-Mercer, was signed at a public ceremony in the Governor's outer office.

The measure provides for the state to pay 80 per cent of the cost of prescription drugs for persons 65 years old or older who meet the eligibility requirements.

The bill provides for the payments for prescription drugs of the cost in excess of 1.5 per cent of a person's annual income if the senior citizen's annual income is less than \$9,000 a year.

The assistance would go only to person who do not qualify for Medicaid.

The Governor also signed S-889, also sponsored by Senator Merlino, which requires the rents collected by a municipality on which the municipality holds a tax sale certificate to be used for improvement of the property.

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