

SS SCS HB 286 -- HEALTH CARE PROGRAMS

This bill provides for a proportionate decrease in the federal reimbursement allowance for Medicaid in each fiscal year in which the population covered by the Medicaid expansion waiver decreases. The Division of Medical Services will increase the uninsured payments for that fiscal year. The increased payments will offset the higher uninsured costs to certain health care facilities resulting from the more restrictive Medicaid waiver eligibility criteria, as determined by the Department of Social Services.

Beginning July 1, 2003, the amount appropriated each fiscal year to fund Medicaid graduate and enhanced graduate medical education is not to be less than the amount paid in Fiscal Year 2002. This provision will expire 180 days after the end of the fiscal year if the required appropriation was not paid, unless payments are adjusted prospectively by the department. The provision for graduate and enhanced graduate medical education will expire September 30, 2005.

The bill modifies the rebate amount for prescription drugs in the Missouri Senior Rx Program. For all transactions prior to July 1, 2003, the rebate amount is 15% of the manufacturer's price. For all transactions on or after July 1, 2003, the rebate amount is 15% for brand name prescription drugs and 11% for generic prescription drugs.

The department may, on a quarterly basis, adjust the tax levied on licensed retail pharmacies providing outpatient prescriptions. The department may adjust more frequently for individual providers if their pharmacy sales characteristics change substantially. The annual audit by the Department of Insurance of this tax is repealed. The provisions relating to this tax expire June 30, 2005.