

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 203

Short Title: GPAC/Freeze Drug Dispensing Fee.

(Public)

Sponsors: Senators Martin of Guilford; and Blackmon.

Referred to: Government Performance Audit.

February 17, 1993

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT
2 PERFORMANCE AUDIT COMMITTEE TO FREEZE THE MEDICAID
3 PRESCRIPTION DRUG DISPENSING FEE FOR THE 1993-95 BIENNIUM.
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5 The General Assembly of North Carolina enacts:

6 Section 1. The General Assembly finds that North Carolina's Medicaid
7 prescription drug dispensing fee is the highest in the country and that it has increased by
8 fifty percent (50%) since 1985, from three dollars and sixty-seven cents (\$3.67) in 1986
9 to five dollars and sixty cents (\$5.60) in 1992. The General Assembly further finds that
10 North Carolina Medicaid spent more than thirty-five million dollars (\$35,000,000) in
11 the 1992-93 fiscal year for dispensing fees alone. The most recent increase approved by
12 the General Assembly resulted in additional Medicaid expenditures of four million five
13 hundred thousand dollars (\$4,500,000).

14 Sec. 2. (a) Effective July 1, 1993, through June 30, 1995, the Division of
15 Medical Assistance, Department of Human Resources, shall freeze the Medicaid
16 prescription drug dispensing fee at its July 1992 amount of five dollars sixty cents
17 (\$5.60) and shall not pay a higher amount.

18 (b) It is the intent of the General Assembly to continue the freeze mandated
19 by subsection (a) of this section through fiscal year 2002.

20 Sec. 3. The base budget of the Division of Medical Assistance, Department
21 of Human Resources, is reduced by the sum of five million dollars (\$5,000,000) for the
22 1993-94 fiscal year and the sum of five million seven hundred thousand dollars
23 (\$5,700,000) for the 1994-95 fiscal year due to savings incurred by the implementation
24 of this act.

1 Sec. 4. It is the intent of the General Assembly to reduce the base budget of
2 the Division of Medical Assistance, Department of Human Resources, in subsequent
3 fiscal years due to the implementation of this act, according to the following schedule:

4	Fiscal Year	Amount
5	1995-96	\$6,500,000
6	1996-97	\$7,400,000
7	1997-98	\$8,400,000
8	1998-99	\$9,500,000
9	1999-00	\$10,900,000
10	2000-01	\$12,400,000
11	2001-02	\$14,100,000.

12 Sec. 5. This act becomes effective July 1, 1993.