

As Introduced

**127th General Assembly
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H. B. No. 229

Representative Jones

Cosponsors: Representatives Wachtmann, Flowers, Stewart, J., Wagoner

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A B I L L

To require the Director of Job and Family Services to 1
analyze the fiscal impact of changes to the 2
formula used to establish federal upper limits for 3
generic drugs enacted by the Deficit Reduction Act 4
of 2005 and to increase, subject to a maximum 5
amount, the dispensing fees paid to pharmacists 6
for dispensing generic drugs to Medicaid 7
recipients for fiscal years 2008 and 2009. 8

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. (A) As used in this section and Section 2 of this 9
act, "multiple source drug" has the same meaning as in 42 U.S.C. 10
1396r-8(k)(7). 11

(B) Not later than thirty days after the effective date of 12
the regulation that the United States Secretary of Health and 13
Human Services must promulgate under Section 6001(c)(3) of the 14
"Deficit Reduction Act of 2005," Pub. L. No. 109-171, the Director 15
of Job and Family Services shall analyze the fiscal impact that 16
the federal upper reimbursement limits established under 42 U.S.C. 17
1396r-8(e)(4), as amended by section 6001 of the "Deficit 18
Reduction Act of 2005," will have on pharmacists in fiscal year 19
2008. The fiscal impact analysis shall include a projection of the 20

revenue a pharmacist is expected to lose during fiscal year 2008 21
from each unit of multiple source drug dispensed to a Medicaid 22
recipient. 23

(C) Notwithstanding section 5111.071 of the Revised Code, and 24
subject to division (D) of this section, the Director shall, not 25
later than ten days after completing the analysis required by 26
division (B) of this section, increase the dispensing fee to be 27
paid to pharmacists with a valid Medicaid provider agreement for 28
dispensing a multiple source drug to a Medicaid recipient in 29
fiscal year 2008. The amount of the increase shall be determined 30
in a manner that compensates pharmacists for the loss of revenue 31
the Director projects, under division (B) of this section, that 32
pharmacists, on average, will incur during fiscal year 2008. 33

(D) The total amount the Director expends under division (C) 34
of this section to pay the increase in the dispensing fee in 35
fiscal year 2008 shall not exceed the total savings that the 36
Medicaid program is projected to save in that fiscal year as a 37
result of the changes to the federal upper reimbursement limits 38
established in 42 U.S.C. 1396r-8(e)(4) that were enacted by 39
section 6001 of the "Deficit Reduction Act of 2005." 40

Section 2. (A) Not later than March 15, 2008, the Director of 41
Job and Family Services shall analyze the fiscal impact that the 42
federal upper reimbursement limits established under 42 U.S.C. 43
1396r-8(e)(4), as amended by section 6001 of the "Deficit 44
Reduction Act of 2005," Pub. L. No. 109-171, will have on 45
pharmacists in fiscal year 2009. The fiscal impact analysis shall 46
include a projection of the revenue a pharmacist is expected to 47
lose during fiscal year 2009 from each unit of multiple source 48
drug dispensed to a Medicaid recipient. 49

(B) Notwithstanding section 5111.071 of the Revised Code and 50
subject to division (C) of this section, the Director shall, not 51
later than ten days after completing the analysis required under 52

division (A) of this section, increase the dispensing fee to be 53
paid to pharmacists with a valid Medicaid provider agreement for 54
dispensing a multiple source drug to a Medicaid recipient in 55
fiscal year 2009. The amount of the increase shall be determined 56
in a manner that compensates pharmacists for the loss of revenue 57
the Director projects, under division (A) of this section, that 58
pharmacists, on average, will incur during fiscal year 2009. 59

(C) The total amount the Director expends under division (B) 60
of this section to pay the increase in the dispensing fee in 61
fiscal year 2009 shall not exceed the total savings that the 62
Medicaid program is projected to save in that fiscal year as a 63
result of the changes to the federal upper reimbursement limits 64
established in 42 U.S.C. 1396r-8(e)(4) that were enacted by 65
section 6001 of the "Deficit Reduction Act of 2005." 66