

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on April 7, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD
 Rae Anne Davis, KS Legislative Research Department
 Debra Hollon, KS Legislative Research Department
 Norman Furse, Revisor of Statutes
 Michael Corrigan, Asst. Revisor of Statutes
 Judy Bromich, Administrative Assistant to the Chairman
 Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

HB 2814: Senior pharmacy assistance program

The Chairman noted that action on this bill had been postponed from the meeting on April 6 pending information on potential costs and the number of eligible persons. Senator Salisbury reviewed the Rhode Island program, pointing out that there were 16,000 eligible recipients and that the age requirement for eligibility was lower and the income eligibility level was higher than the subcommittee recommended in the balloon version of this bill (Attachment 1). Members discussed the difficulty in determining the number of persons eligible for the pharmacy program without knowing who would be disqualified because of limitations in the bill. Senator Salisbury commented that using the assumptions made by the Division of the budget (an 8% earnings rate of return over one year), 3040 persons could be served in the first 12 months of the program if all of them used the program to do maximum amount allowable.. She also added that many people anticipate enactment of Federal legislation that would encompass a senior pharmacy program and, if that occurs, no one in Kansas would be eligible for the Kansas program as it's written.

Information on prescription drug services provided by Senior Health Insurance Counseling for Kansas from the Kansas Insurance Department was distributed to members (Attachment 2). In answer to a question, it was noted that the estimated prescription savings for Medicare beneficiaries in 1999 of \$1.1 million was for four months only. Members expressed a desire to have the ability to control the cost of the program through appropriations rather than establishing an entitlement program.

Senator Salisbury moved, Senator Morris seconded that the subcommittee report be amended to include a repealer in the event the Federal government enacts a senior pharmacy program and that the subcommittee report (Attachment 2) as amended be amended into HB 2814. The motion carried on a voice vote.

Concern was expressed that the words "any other source whatsoever" on page 2, lines 29 & 30, could be interpreted to include the State General Fund. It was moved by Senator Ranson and seconded by Senator Jordan that HB 2814 be further amended by deleting the words "any other source whatsoever for the purposes of the program established under this act" on page 2, lines 29 & 30 and by inserting the words "private nongovernmental sources." The motion carried on a voice vote.

It was moved by Senator Salisbury and seconded by Senator Lawrence that HB 2814 as amended be recommended favorably for passage. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 11:50 p.m. The next meeting is scheduled for 10:00 a.m. on April 20, 2000.