

SENATE, No. 2946

STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED JANUARY 5, 2006

Sponsored by:

Senator WAYNE R. BRYANT

District 5 (Camden and Gloucester)

Assemblyman ALBIO SIRES

District 33 (Hudson)

Assemblyman LOUIS D. GREENWALD

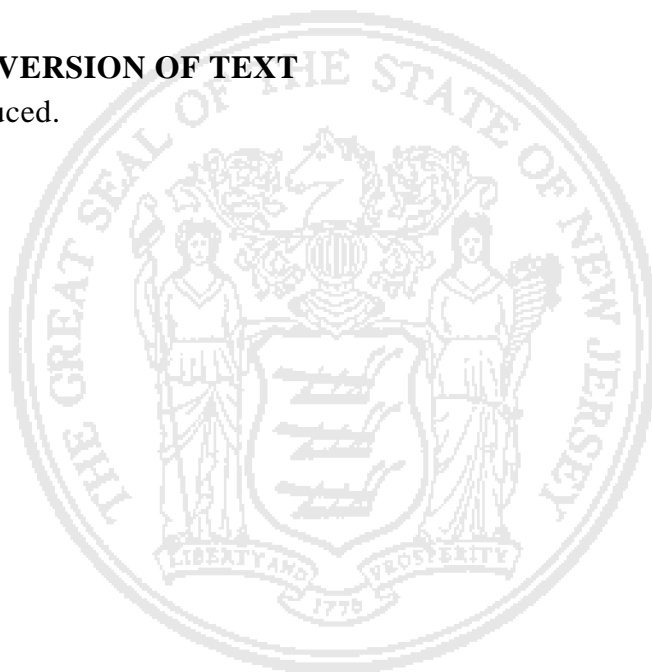
District 6 (Camden)

SYNOPSIS

Makes fiscal year 2006 supplemental appropriation of \$22,000,000 to Department of Corrections for grants to counties housing State inmates and amends certain language provisions of the fiscal year 2006 appropriations act concerning certain grants.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 1/10/2006)

1 AN ACT to amend and supplement "An Act making appropriations for
2 the support of the State Government and the several public
3 purposes for the fiscal year ending June 30, 2006 and regulating the
4 disbursement thereof," approved July 2, 2005 (P.L.2005, c.132).

5
6 **BE IT ENACTED** by the Senate and General Assembly of the State
7 of New Jersey:

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9 1. In addition to the amounts appropriated under P.L.2005, c.132,
10 the fiscal year 2006 appropriations act, there is appropriated out the
11 of the General Fund the following sum for the purpose specified:

12 **26 DEPARTMENT OF CORRECTIONS**

13 *10 Public Safety and Criminal Justice*

14 *16 Detention and Rehabilitation*

15 *7025 System-Wide Program Support*

16 **GRANTS-IN-AID**

17	13-7025 Institutional Program Support	\$22,000,000
18	Total Grants-in-Aid Appropriation, System-Wide	
19	Program Support	<u>\$22,000,000</u>

20 ***Grant-in-Aid:***

21 13 Purchase of Services for Inmates
22 Incarcerated in County Penal Facilities (\$22,000,000)

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24 Total Appropriation, Department of Corrections \$22,000,000

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26 2. The following language provisions of section 1 of P.L.2005,
27 c.132, the annual appropriations act for fiscal year 2006, are amended
28 to read as follows:

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31 **46 DEPARTMENT OF HEALTH AND SENIOR SERVICES**

32 *20 Physical and Mental Health*

33 *26 Senior Services*

34 **GRANTS-IN-AID**

35 24-4275 Pharmaceutical Assistance to the Aged and Disabled

36
37 Notwithstanding the provisions of any other law or regulation to the contrary, no funds appropriated
38 in the Pharmaceutical Assistance to the Aged and Disabled program classification and the
39 Senior Gold Prescription Discount Program account shall be expended except under the
40 following conditions: (a) reimbursement for prescription drugs shall be based on the Average
41 Wholesale Price less a 12.5% discount; (b) the current prescription drug dispensing fee structure
42 set as a variable rate of \$3.73 to \$4.07 in effect on June 30, 2005 shall remain in effect through
43 fiscal year 2006, including the current increments for patient consultation, impact allowances
44 and allowances for 24-hour emergency services; and (c) multisource generic and single source
45 brand name drugs shall be dispensed without prior authorization but multisource brand name
46 drugs shall require prior authorization issued by the Department of Health and Senior Services

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

Matter underlined thus is new matter.

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1 or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be
2 dispensed pending receipt of prior authorization. Certain multisource brand name drugs with
3 a narrow therapeutic index, other drugs recommended by the Drug Utilization Review Board
4 or brand name drugs with a lower cost per unit than the generic may be excluded from prior
5 authorization by the Department of Health and Senior Services. The funds appropriated for
6 the Pharmaceutical Assistance to the Aged and Disabled program and the Senior Gold
7 Prescription Discount Program may also be expended for a temporary program to provide
8 additional compensation to pharmacies which serve a disproportionate share of PAAD and
9 Senior Gold participants due to a significant decline in a pharmacy's total prescription drug
10 dispensing fee compensation resulting from changes in federal law. A pharmacy shall be
11 eligible for such additional compensation if it: (a) is classified by the Division of Medical
12 Assistance and Health Services during calendar year 2005 as a pharmacy receiving an impact
13 allowance pursuant to N.J.A.C.10:51-1.7(a)(3); (b) is not considered a long-term care
14 pharmacy; and (c) has not filled more than 10,443 PAAD or Senior Gold prescriptions during
15 calendar year 2005. The additional compensation shall equal \$2 for each PAAD and Senior
16 Gold prescription filled between January 1, 2005 and June 30, 2005.

17 (cf: P.L.2005, c.132, s.1)

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20 24-4275 Pharmaceutical Assistance to the Aged and Disabled
21 *Casino Revenue Fund*

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23 Notwithstanding the provisions of any other law or regulation to the contrary, no funds appropriated
24 in the Pharmaceutical Assistance to the Aged and Disabled program classification and the
25 Senior Gold Prescription Discount Program account shall be expended except under the
26 following conditions: (a) reimbursement for prescription drugs shall be based on the Average
27 Wholesale Price less a 12.5% discount; (b) the current prescription drug dispensing fee structure
28 set as a variable rate of \$3.73 to \$4.07 in effect on June 30, 2005 shall remain in effect through
29 fiscal year 2006, including the current increments for patient consultation, impact allowances
30 and allowances for 24-hour emergency services; and (c) multisource generic and single source
31 brand name drugs shall be dispensed without prior authorization but multisource brand name
32 drugs shall require prior authorization issued by the Department of Health and Senior Services
33 or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be
34 dispensed pending receipt of prior authorization. Certain multisource brand name drugs with
35 a narrow therapeutic index, other drugs recommended by the Drug Utilization Review Board
36 or brand name drugs with a lower cost per unit than the generic may be excluded from prior
37 authorization by the Department of Health and Senior Services. The funds appropriated for the
38 Pharmaceutical Assistance to the Aged and Disabled program and the Senior Gold Prescription
39 Discount Program may also be expended for a temporary program to provide additional
40 compensation to pharmacies which serve a disproportionate share of PAAD and Senior Gold
41 participants due to a significant decline in a pharmacy's total prescription drug dispensing fee
42 compensation resulting from changes in federal law. A pharmacy shall be eligible for such
43 additional compensation if it: (a) is classified by the Division of Medical Assistance and Health
44 Services during calendar year 2005 as a pharmacy receiving an impact allowance pursuant to
45 N.J.A.C.10:51-1.7(a)(3); (b) is not considered a long-term care pharmacy; and (c) has not filled
46 more than 10,443 PAAD or Senior Gold prescriptions during calendar year 2005. The
47 additional compensation shall equal \$2 for each PAAD and Senior Gold prescription filled
48 between January 1, 2005 and June 30, 2005.

49 (cf: P.L.2005, c.132, s.1)

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54 DEPARTMENT OF HUMAN SERVICES

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24 Special Health Services

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7540 Division of Medical Assistance and Health Services

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GRANTS-IN-AID

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22-7540 General Medical Services

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Notwithstanding the provisions of any other law or regulation to the contrary, and subject to the notice provisions of 42 CFR 447.205 where applicable, no funds appropriated for prescription drugs in the Payments for Medical Assistance Recipients-Prescription Drugs or General Assistance Medical Services account shall be expended except under the following conditions: (a) reimbursement for the cost of legend, and non-legend drugs, and nutritional supplements, shall not exceed their Average Wholesale Price (AWP) less a 12.5% discount; (b) the current prescription drug dispensing fee structure set as a variable rate of \$3.73 to \$4.07 in effect on June 30, 2005 shall remain in effect through fiscal year 2006, including the current increments for patient consultation, impact allowances, and allowances for 24-hour emergency services; and (c) multisource generic and single source brand name drugs shall be dispensed without prior authorization but multisource brand name drugs shall require prior authorization issued by the Division of Medical Assistance and Health Services or its authorizing agent, however, a 10-day supply of the multisource brand name drug shall be dispensed pending receipt of prior authorization. Certain multisource brand name drugs with a narrow therapeutic index, other drugs recommended by the Drug Utilization Board or brand name drugs with lower cost per unit than the generic, may be excluded from prior authorization by the Division of Medical Assistance and Health Services. The funds appropriated for the Payments for Medical Assistance Recipients-Prescription Drugs may also be expended for a temporary program to provide additional compensation to pharmacies which serve a disproportionate share of Medicaid participants due to a significant decline in a pharmacy's total prescription drug dispensing fee compensation resulting from changes in federal law. A pharmacy shall be eligible for such additional compensation if it: (a) is classified by the Division of Medical Assistance and Health Services during calendar year 2005 as a pharmacy receiving an impact allowance pursuant to N.J.A.C.10:51-1.7(a)(3); (b) is not considered a long-term care pharmacy; and (c) has not filled more than 8,562 Medicaid prescriptions during calendar year 2005. The additional compensation shall equal \$2 for each Medicaid prescription filled between January 1, 2005 and June 30, 2005.

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(cf: P.L.2005, c.132, s.1)

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74 DEPARTMENT OF STATE

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30 Educational, Cultural and Intellectual Development

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36 Higher Educational Services

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2410 Rutgers, The State University

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GRANTS-IN-AID

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82-2410 Institutional Support

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Of the sums hereinabove appropriated for Rutgers, The State University, \$180,000 is appropriated for the Masters in Government Accounting Program, \$105,000 is appropriated for the Tomato Technology Transfer Program, \$95,000 is appropriated for the Haskin Shellfish Research Laboratory, \$200,000 is appropriated for the Camden Law School Clinical Legal Programs for the Poor, \$200,000 is appropriated for the Newark Law School Clinical Legal Programs for the Poor, \$740,000 is appropriated for the Civic Square Project-Debt Service, \$75,000 is appropriated for the Walter Rand Institute for Public Affairs, \$700,000 is appropriated for In Lieu of Taxes to New Brunswick, \$500,000 is appropriated for capital projects or maintenance

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1 for Division of Intercollegiate Athletic facilities at Rutgers, New Brunswick, \$500,000 for the
2 Gubernatorial [Papers] Project, \$18,000,000 is appropriated for Rutgers-Newark School of
3 Business, \$135,000 for E3CO, Inc. and \$515,000 is appropriated for the New Jersey
4 EcoComplex, Burlington County. These accounts shall be considered special purpose
5 appropriations for accounting and reporting purposes.

6 (cf: P.L.2005, c.132, s.1)

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8 3. This act shall take effective immediately.

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10 **STATEMENT**

11
12 This bill makes a State Fiscal Year 2006 supplemental
13 appropriation of \$22,000,000 from the General Fund to the
14 Department of Corrections to provide counties with additional
15 Grants-In-Aid funding to support the increased population of State
16 inmates housed at county correctional facilities. The department
17 houses inmates in various county jail systems throughout the State
18 until bed spaces become available for them in one of the State
19 prisons.

20 In addition, the bill amends current budget language to permit the
21 Commissioners of the Department of Health and Senior Services and
22 the Commissioner of the Department of Human Services to expend
23 funds available for dispensing fees to pharmacists under the
24 Pharmaceutical Assistance to the Aged and Disabled program, the
25 Senior Gold Prescription Discount Program, and the Medicaid
26 Program to temporarily provide additional prescription drug
27 dispensing compensation to dispensers who serve a disproportionate
28 share of participants in those programs and who will be adversely
29 impacted by a significant decline in their total dispensing fee
30 compensation occasioned by transitional changes due to federal law.
31 As recipients of pharmaceutical assistance under these programs are
32 shifted from these prescription assistance programs to federal
33 Medicare Part D prescription drug assistance, lower dispensing fees
34 will be provided to many pharmacists, with the major adverse
35 economic impact concentrated on pharmacists serving the
36 disproportionate share of such clients who will be served by Medicare
37 Part D.

38 The bill also amends current budget language requiring Rutgers,
39 The State University to appropriate, from its annual State Grants-in-
40 Aid appropriation, a sum of \$500,000 for the "Gubernatorial Papers
41 Project." The appropriation, as amended, is for the "Gubernatorial
42 Project" at Rutgers University.