PA12-030

HB5516

House	1572-1584, 1929-1936	21
Public Health	1924-1930, 2118	8
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Those voting Yea 147

Those voting Nay 0

Those absent and not voting 4

DEPUTY SPEAKER RYAN:

The bill passes.

Will the Clerk please call Calendar Number 264.

THE CLERK:

On page 21, Calendar 264, Substitute for House Bill Number 5516, AN ACT CONCERNING PRESCRIPTION DRUG ADMINISTRATION IN NURSING HOME FACILITIES, favorable report by the Committee on Public Health.

DEPUTY SPEAKER RYAN:

The Chairman of the Public Health Committee, Representative Ritter, you have the floor.

REP. E. RITTER (38th):

Thank you, Mr. Speaker.

Mr. Speaker, I move for acceptance of the Joint Committee's favorable report and passage of the bill.

DEPUTY SPEAKER RYAN:

The question is acceptance of the Joint Committee's favorable report and passage of the bill.

Before we go any further, could I just ask the Chamber to quiet down please. It's getting very noisy. Someone is trying to take out a bill and they

won't be heard.

If you have any conversations, could you take them outside the hall, please.

Representative Ritter.

REP. E. RITTER (38th):

Thank you, Mr. Speaker.

Mr. Speaker, the purpose of this bill is to help nursing homes manage their prescription drug costs for patients transitioning from a hospital to a nursing home facility.

Mr. Speaker, the Clerk has an amendment, LCO Number 3301. I would ask the Clerk to please call the amendment and that I be granted permission to summarize.

DEPUTY SPEAKER RYAN:

Will the Clerk please call LCO 3301, which will be designated House Amendment Schedule "A."

THE CLERK:

LCO 3301, House "A," offered by Representative Ritter and Senator Gerratana.

DEPUTY SPEAKER RYAN:

The Representative seeks leave of the Chamber to summarize the amendment. Is there objection to summarization? Is there objection? Hearing none,

Representative Ritter, you may proceed with summarization.

REP. E. RITTER (38th):

Thank you, Mr. Speaker.

Mr. Speaker, this amendment does two things. It seeks to clarify first that, not only the physician, but the appropriate prescribing practitioner is the subject matter of this bill. That's in lines 1 and 2 in the amendment.

In lines 3 through 5 it clarifies that the utilization of prescription drug coverage under a patient's primary health insurance policy should be the optimal intent of the substitution.

Mr. Speaker, the bill allows a medical director of a nursing home facility to establish protocols for a prescription drug formulary system. These protocols must comply with the appropriate regulatory and professional groups as well as --

DEPUTY SPEAKER RYAN:

Representative Ritter, are you discussing the bill now or the amendment?

REP. E. RITTER (38th):

Oh, Mr. Speaker, you caught me on that one. Thank you, Mr. Speaker.

Mr. Speaker, I have already summarized the amendment, and I would move for its acceptance.

DEPUTY SPEAKER RYAN:

Thank you, Representative.

The question is on adoption on the amendment.

Any -- yeah. Representative Perillo of the 113th.

REP. PERILLO (113th):

Mr. Speaker, thank you very much.

If I may, through you, a few questions to the proponent of the amendment?

DEPUTY SPEAKER RYAN:

Please proceed, sir.

REP. PERILLO (113th):

Thank you, Mr. Speaker.

In lines 1 and 2 of the amendment we are indeed changing the word "physician" to "practitioner." If the chair of the Public Health Committee could give some examples as to what that expansion of scope of the bill would do.

DEPUTY SPEAKER RYAN:

Representative Ritter.

REP. E. RITTER (38th):

Thank you. Through you, Mr. Speaker.

That would allow it to include any other prescribing professional currently allowed by law, but no others. The most commonly seen one would be an advanced practice registered nurse.

Through you, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Perillo.

REP. PERILLO (113th):

Mr. Speaker, thank you very much.

And again just to clarify, that would not expand the scope of practice for any other providers of care, for example, to acupuncturists, you go down the list. No one else would have the ability to prescribe. Is that correct?]

DEPUTY SPEAKER RYAN:

Representative Ritter.

REP. E. RITTER (38th):

Through you, Mr. Speaker.

There is no expansion in the scope of any professional. That is correct.

DEPUTY SPEAKER RYAN:

Representative Perillo.

REP. PERILLO (113th):

Thank you, Mr. Speaker.

If I could just further, the second part of the amendment in lines 3 through 5, we are adding the words "shall maximize the utilization of prescription drug coverage under a patient's primary health insurance policy."

I'm unclear as to what the word "maximize" means in that. If the chair could describe that.

Through your, sir.

DEPUTY SPEAKER RYAN:

Representative Ritter.

REP. E. RITTER (38th):

Thank you, Mr. Speaker.

Mr. Speaker, first I will point out that this amendment came to us from the Department of Social Services, this particular section of the amendment. And their concern was that not in every case is Medicaid indeed at this point in the patient's treatment, or need for prescription coverage, the primary health insurance policy that would be responsible for coverage.

So the intent of the amendment is to avoid inadvertently placing an undue burden on the state Medicaid program, rather to steer that prescription to coverage under any other primary insurance that would

be appropriate, Mr. Speaker.

DEPUTY SPEAKER RYAN:

Representative Perillo.

REP. PERILLO (113th):

Thank you.

And I thank the chair for her answer, but just again to clarify. When I read the words, "maximize the utilization," that implies to me that the effort would be to fully utilize the benefit of the plan that is offered.

So is the intent of this to, you know, do such things as add additional pharmaceuticals to utilize the benefit or utilize more expensive pharmaceuticals to utilize the benefit? I question the use of the word "maximization."

Through you, sir.

DEPUTY SPEAKER RYAN:

Representative Ritter.

REP. E. RITTER (38th):

Thank you, Mr. Speaker.

Mr. Speaker, I understand the question from Representative Perillo, but I would like to point out to him that this is added at the end of line 23. And in line 23 -- points out that -- I'm sorry, follows

clear direction that all of its prescription must come directly from the treating physician.

And absent an indication from the physician that a prescription is necessary for the patient's health, there would be no need, I believe, for the instance that the Representative is describing to happen.

DEPUTY SPEAKER RYAN:

Representative Perillo.

REP. PERILLO (113th):

Thank you, and I thank the chair for her answer.

I have to admit, though, I still believe there is a lack of clarity here. You know, this to me is an example of a situation where indeed words do matter. And this language says that such administration "shall maximize the utilization." The word "maximize" is not defined anywhere in here. Maximize, to me, would indicate, you know, the highest dollar amount possible within the contract within the provision of the insurance.

So again I'm just questioning the use of the word "maximization." And if the correct word should be "optimization," I would think that would be a moot point because, obviously, we would always hope that utilization would be optimized and that the best level

of care and the most appropriate level of care would be given. But here we're using the word "maximize," and I don't know that there's a place for that word in this bill.

Through you, sir, if the chair could comment.

DEPUTY SPEAKER RYAN:

Representative Ritter, if you could comment.

REP. E. RITTER (38th):

Thank you, Mr. Speaker.

And again I understand Representative Perillo's good intentions on this, and I do not disagree that the intent is to make best use of the coverage available, remembering that it's done in conjunction with the physician's order which carries a very heavy presumption that that is done in the best interests of the patient.

And I understand that the Representative may quarrel with the word "maximize." I would point out that it's the utilization of the coverage. I'm not sure I completely agree with Representative Perillo on this. And I think I might be happy to suggest to the Representative that, if we wanted to discuss further definition of the word "maximize" versus "utilize," we probably would spend several hours doing that. I'm

not sure we would come immediately to a happy conclusion, Mr. Speaker. I'm not sure I truly notice the difference.

DEPUTY SPEAKER RYAN:

Representative Perillo.

REP. PERILLO (113th):

Thank you, Mr. Speaker.

And again I thank the Chair for the answer to her question.

Excuse me one sec.

DEPUTY SPEAKER RYAN:

The Chamber will stand at ease.

(Chamber at ease.)

DEPUTY SPEAKER RYAN:

Representative Perillo.

The Chamber will come back to order.

REP. PERILLO (113th):

Mr. Speaker, thank you very much for the opportunity to have that sidebar conversation.

But again, I would refer to the language. And you know, there's a number of different components to this sentence, so let me sort of get rid of, you know,

separate the wheat from the chaff here.

What essentially this says is the facility's administration of prescription drugs to a patient shall maximize the utilization of prescription drug coverage. That implies to me that any administration shall/must maximize the utilization of the coverage. There may be instances where the proper administration actually utilizes a less expensive pharmaceutical or chooses, quite frankly, not to utilize a pharmaceutical at all. But we are stating that the administration shall/must maximize the utilization of the coverage.

A, I do not believe that that is the intent of this legislation, but it isn't clearly what this legislation says. And even if it does say that, it shouldn't be placed into statute. We should not be telling physicians or facilities that they must maximize the utilization of coverage.

It is not the job of legislation of this body to make that determination. It is the job of the physician, the prescriber, the facility, the pharmacist to make that determination. It is not our job. And we can disagree on what the intent is, but the words here are very clear.

So again, I understand very, very clearly that the intent of this amendment is good. I don't believe there is an intent to direct providers -- to direct prescribers to do a certain thing to, as it says, "maximize the utilization of coverage." I don't believe that is the intent, but unfortunately before us the language indeed says that, "shall maximize the utilization of coverage." And once you put it into law you're stating that that must happen, that a practitioner must utilize the maximum coverage.

So if possible, and again, I'm seeking clarity from the chair if I could gain some, through you, sir.

DEPUTY SPEAKER RYAN:

Excuse me.

Representative Tallarita.

REP. TALLARITA (58th):

Mr. Speaker?

DEPUTY SPEAKER RYAN:

Representative Perillo, could we ask you to relinquish the floor so that we could probably --

REP. PERILLO (113th):

I happily relinquish the floor.

DEPUTY SPEAKER RYAN:

Thank you, sir.

Representative Tallarita.

REP. TALLARITA (58th):

Thank you, Mr. Speaker.

At this moment I'd like to pass this temporarily.

DEPUTY SPEAKER RYAN:

This bill is passed temporarily.

Okay. The motion is to pass this item temporarily. Is there any objection? Is there any objection? If not, this bill is PT'd.

The Chamber will stand at ease.

(Chamber at ease.)

DEPUTY SPEAKER RYAN:

The Chamber will come back to order.

Will the Clerk please call Calendar Number 176.

THE CLERK:

On page 11, Calendar 176, Substitute for House Bill Number 5108, AN ACT CONCERNING MODIFICATIONS TO THE COMMUNITY ECONOMIC DEVELOPMENT FUND SERVICE AREA, favorable report by the Committee on Commerce. (sic.) (HB5124)

DEPUTY SPEAKER RYAN:

The Chairman of the Environment Committee, Representative Roy of the 119th.

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Will the Clerk please call Calendar Number 264.

THE CLERK:

On Page 17, Calendar 264, substitute for House Bill Number 5516, AN ACT CONCERNING PRESCRIPTION DRUG ADMINISTRATION IN NURSING HOME FACILITIES, favorable report by the committee on Public Health.

SPEAKER ORANGE:

Representative Ritter.

REP. RITTER (38th):

Thank you, Madam Speaker.

Madam Speaker, I move for acceptance of the joint committee's favorable report and passage of the bill.

SPEAKER ORANGE:

The question is acceptance of the joint committee's favorable report and passage of the bill.

Will you remark, madam?

REP. RITTER (38th):

Thank you, Madam Speaker.

Madam Speaker, I first want to describe what's -- I think might happen here. And that is that yesterday in

discussing this bill we brought up what became LCO Number 3301, that became House Amendment "A."

I will be first asking the Clerk to call that and then asking that that amendment be withdrawn.

I then will be asking the Clerk for another replacement amendment and we will proceed from there.

So Madam Speaker, the Clerk is in possession of an amendment, LCO Number 3301, present -- present -- previously designated as House Amendment "A." I would ask the Clerk to please call that amendment.

SPEAKER ORANGE:

Will the Clerk please call LCO Number 3301, which was designated already as House Amendment Schedule "A."

THE CLERK:

LCO 3301, House "A," offered by Representative Ritter and Senator Gerratana.

SPEAKER ORANGE:

Representative Ritter.

REP. RITTER (38th):

Thank you, Madam Speaker.

Madam Speaker, I would ask that this amendment be withdrawn.

SPEAKER ORANGE:

The question before the Chamber is withdraw -- is to withdraw the amendment, LCO Number 3301, which was formerly designated as House Amendment Schedule "A."

Is there objection? Is there objection?

Without objection, so ordered.

The amendment is withdrawn.

Representative Ritter.

REP. RITTER (38th):

Thank you, Madam Speaker.

Madam Speaker, the Clerk has an amendment, LCO Number 3429. I would ask the Clerk to please call the amendment and I be gather -- I be granted leave of the Chamber to summarize.

SPEAKER ORANGE:

Will the Clerk please call LCO Number 3429, which will be designated as House Amendment Schedule "B."

THE CLERK:

LCO 3429, House "B" offered by Representative Ritter, Senator Gerratana and Representative Perillo.

SPEAKER ORANGE:

The Representative seeks leave of the Chamber to summarize.

REP. RITTER (38th):

Thank you, Madam Speaker.

Madam Speaker, this amendment makes two changes to the underlying bill. I would ask the Chamber to please adopt this amendment and then we will be discussing the bill as amended.

SPEAKER ORANGE:

The question before the Chamber is on adoption of House Amendment Schedule "B."

Will you care to remark on House "B"?

Representative Perillo.

REP. PERILLO (113th):

Madam Speaker, thank you very much.

As some may recall from yesterday, this -- this bill, because of House Amendment "A," was passed

temporarily because there were some issues with the amendment.

I want to thank the chair of the Public Health committee for working together with me and with DSS. We were able to come up with an alternative which is this amendment that's before us now. It does fix the concerns that were raised yesterday and I would urge its adoption.

SPEAKER ORANGE:

Thank you, sir. Will you remark further on House Amendment "B," House Amendment "B"?

If not, let me try your minds.

All those in favor of House Amendment Schedule "B," please signify by saying "Aye."

REPRESENTATIVES:

Aye.

SPEAKER ORANGE:

Those opposed, nay.

The ayes have it.

The amendment is adopted.

Will you care to remark further now on the bill as amended? Representative Ritter.

REP. RITTER (38th):

Thank you, Madam Speaker.

We had considerable conversation on this bill yesterday so my remarks can be brief.

Essentially, this bill as amended will allow nursing home facilities to make substitutions for drugs prescribed to patients with the approval of its -- of the prescribing physicians.

And I urge my colleagues to support the bill.

Thank you, Madam Speaker.

SPEAKER ORANGE:

Thank you, madam.

Will you care to remark further?

Representative Perillo.

REP. PERILLO (113th):

Madam Speaker, Thank you very much.

I also urge passage. I -- I urge support of our colleagues for the bill as amended. It does do something that is very important, not just to patients but also to our nursing homes here in Connecticut. And it is something that is definitely worthy of our support.

SPEAKER ORANGE:

Thank you, sir.

Will you care to remark further? Will you care to remark further on the bill as amended? Will you care to remark further?

If not, staff and guests, please come to the well of the House. Members, take your seats. The machine will be opened.

THE CLERK:

The House of Representatives is voting by roll call. Members to the Chamber. The House is taking a roll call vote. Members to the Chamber, please.

SPEAKER ORANGE:

Have all the members voted? Have all the members voted?

Please check the board to determine if your vote has been properly cast.

If so, the machine will be locked and the Clerk will take a tally.

And will Mr. Clerk please announce the tally.

THE CLERK:

House Bill 5516 as amended by House "B."

Total Number Voting 144

Necessary for Passage 73

Those voting Yea 144

Those voting Nay 0

Those absent and not voting 7.

SPEAKER ORANGE:

The bill as amended passes.

Will the Clerk please call Calendar Number 106.

THE CLERK:

On Page 4, Calendar 106. Substitute for House Bill Number 5088, AN ACT CONCERNING SELF SERVICE STORAGE FACILITY LIENS, favorable report by the committee on General Law.

SPEAKER ORANGE:

Representative Taborsak, you have the floor, sir.

REP. TABORSAK (109th):

Thank you, Madam Speaker.

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in terms of an upper or outer boundary. And I'm pretty sure there is one out there that beyond which, you know, you're starting to cross into the less responsible areas maybe and you might want to just -- at least certainly I want to have that discussion, so I'll put that out there. I see some heads in the back nodding. Maybe I'll have that opportunity.

JONATHAN WEBER: I think that it allows us room for discussion, and I am more than happy to continue the conversations with our partners in this process.

REP. RITTER: Thank you very much. I appreciate that. Are there other questions from the panel? No. Thank you for your testimony. I think we have an opportunity to move to the next bill which is House Bill 5516, AN ACT CONCERNING PRESCRIPTION DRUG ADMINISTRATION IN NURSING HOME FACILITIES, and we have one speaker that I believe is Mike Gemma who hopefully is here. Yes. Thank you.

MIKE GEMMA: Good afternoon. I'd like to thank the committee for the opportunity to speak in support of HB 5516. My name is Mike Gemma, and I am the pharmacy manager, pharmacist in charge at Omnicare of Connecticut. Omnicare of Connecticut is a pharmacy located in Cheshire, Connecticut which services skilled nursing facilities, group homes and assisted living residents. The intent of this Bill HB 5516 is to help nursing homes manage their prescription costs for those patients who have just recently transitioned from a hospital to a nursing care facility.

Just some background information. As you may be aware, Medicare assigns different coverages such as Medicare-B which typically covers things like medical equipment, oxygen. There's

also Medicare-D, which you may be familiar with, which covers prescription drugs. And then there's Medicare-A. Medicare-A is also referred to as hospital insurance. So when a patient transfers from a hospital to a skilled nursing facility, they are covered generally under Medicare-A if they are the beneficiary and for a maximum of 100 days. This is basically that transition coverage, Medicare-A, is until the patient is approved by either Medicare-D plan or Medicaid. And so that hundred days becomes a Medicare-A transition period. What is important is that Medicare-A reimbursement to the nursing homes during that hundred day maximum transition is a capped fee for service. It's not like the pharmacy bills the insurance like a Med-D plan or a Medicaid plan.

So the nursing home is billed by my pharmacy while the patient is on a Medicare -- is in transition on Medicare-A. So therefore the nursing home is responsible for the cost of those prescriptions while they're on Medicare-A. Normally costs of prescriptions are managed by the insurance companies through formulas, and those of you who get prescriptions know what that's like when you go to the pharmacy and your insurance plan says that you need to use another medication, they won't pay for this particular medication. And they do that through preferred drug lists and other cost containment process, but in that hundred day transition there is no managed care because it's just from a pharmacy billing the nursing home. So in the case of a patient on Medicaid-A a cost effective management process rests with the internal process set up by the nursing home, and they generally don't have a lot of experience in dealing with that and don't have processes in place because the insurance companies usually take that

responsibility.

So these formularies are standard of a drug utilization used by every payer of a prescription plan. As I mentioned, those go to the pharmacy. You can see that sometimes the insurance company will deny your particular drug the doctor prescribed, will contact the doctor and switch it to something else that they prefer that's more cost effective. Hospitals, practically every hospital in the country adopts formularies. It's been a practice that's been in use since I've been a pharmacist over 30 years. Medicaid and Medicare-D use formularies. The preferred drug list by the state Medicaid is a formulary, and they enjoy that benefit of managing cost by controlling cost and skewing towards more cost effective drugs such as generics.

So they allow the prescribing practitioner -- these formularies allow the prescribing practitioner to substitute cost effective drugs in accordance with the facilities' protocol and similar to the standard of practice used in practically every hospital. So formularies are an established protocol in practically every hospital in the country as well as every insurance benefit manager uses formularies to control and manage prescription costs. So this bill provides nursing homes with the well established and effective approach to managing prescription costs where the demand and pressures to manage health care costs have never been greater. And I thank you for the opportunity.

REP. RITTER: Thank you for your testimony. Are there questions from the committee? Representative Carter.

REP. CARTER: Thank you, Madam Chairman. While I

understand the hospitals obviously operate with formularies and oftentimes patients are switched to a particular product when they're in the hospital, I know more hospitals now do an adjudication of the chart to make sure that patients leave on what they came in on. With a nursing home in this particular situation these folks are usually in there a long period of time, they're just not in for a visit, is that correct?

MICHAEL GEMMA: That's correct, yes.

REP. CARTER: They are living there?

MICHAEL GEMMA: Yes.

REP. CARTER: Okay. So in this instance are most of those patients being followed up by a physician, they're seeing a private physician on the outside of the nursing home, or is it the medical director who is usually a primary physician anyway?

MICHAEL GEMMA: What happens if when a patient gets discharged from the hospital to a nursing home, a practicing physician that has privileges at that nursing home gets assigned that patient or the medical director. The medical director will review that patient's meds coming out of the hospital and will generally verbally approve the orders that the nurses read along, and then we will not dispense the medicines until we get a signed physician order. But the doctor generally telephones those meds to the nurse in the facility. Whatever medications the patient was in the hospital the patient is going to get because remember there's no insurance, there's no cost effective analysis to decide. Whatever the hospital was -- the patient was getting in the hospital they will get from me. And so, for example, somebody

gets prescribed out of the hospital into the nursing home and I get an order for a nasal cortisone inhalant for congestion and the doctor writes that X and the patient was getting X drug, if I were able to have the doctor sign off instead of giving X drug, I give Y drug, which has the same exact FDA approved indication, the doctor understands that I could give that B drug, agrees to that, signs off on it, I could save that facility $75 for that one dispensing. That's what insurance companies do, that's what hospitals do because it's cost effective to use that other product which is just as good. It is a signed off prescription by the doctor essentially, so the doctor is aware. The doctor can opt out if he or she decides that they don't want to participate in the protocol, but it gives a tool to the nursing home to manage those costs because prescription costs are in that capped cost, that daily capped cost. Prescription costs can blow their budget out of control, and they're looking for an opportunity to manage those costs only during that transition.

REP. CARTER: I guess, okay, so my question would be why -- okay, so the physician, whoever the medical director is of the nursing home, and if you have a physician who's assigned privileges there, so that physician now is a practicing physician who has we'll say Mrs. Newsombaum, whoever that patient that came out of the hospital, does that physician need to worry about a formulaic? They can still prescribe what they want.

MICHAEL GEMMA: Yes, they can.

REP. CARTER: And in house do you have to have permission to do a formulary in the nursing home?

MICHAEL GEMMA: What will happen is the medical director will establish a committee and will say we can use X --

REP. CARTER: Can't they do that already?

MICHAEL GEMMA: It has to be done on an individual basis. I would have to call up the doctor at 10:00 o'clock at night and ask him if he or she could switch to another drug.

REP. CARTER: So I guess what I'm saying a medical director of a nursing home does not have the ability right now to put anything out there that would be a protocol because somebody coming from the hospital right now you'd still have to contact whoever the physician is, it wouldn't change anything, so if somebody is coming out of the hospital, you either have to contact the medical director, you'd have to contact the practicing physician, right?

MICHAEL GEMMA: No, the protocol would be established for all these -- for whatever therapeutic interchanges, what they call --

REP. CARTER: So you'll have a --

MICHAEL GEMMA: It will be a set protocol, drug X with that script with drug Y. The doctor will review it, decide whether he or she wants to approve it, and gives me authorization.

REP. CARTER: So basically at 10:00 o'clock at night then whoever the pharmacist is on duty at the nursing home will have the ability to make the call as to whatever the switch is?

MICHAEL GEMMA: I will have a signed protocol by that doctor in my possession giving me permission.

REP. CARTER: And right now you need legislation to actually allow a signed protocol to work?

MICHAEL GEMMA: That's correct. Currently the current statutes do not allow us to do this.

REP. CARTER: Okay. I guess that's what I wanted to understand. Thank you.

SENATOR GERRATANA: Yes, thank you Representative. Are there any other questions? If not, thank you for coming today and giving testimony.

MICHAEL GEMMA: Thank you very much.

SENATOR GERRATANA: Next we will hear on Senate Bill 424, and the speaker is I think it's Raja -- I'm sorry, what's the last name? Fattaleh? Thank you.

RAJA FATTALEH: Thank you, Senator Gerratana and other members of the committee. I know it's been a long day for all of you. I am speaking on behalf of my patients and actually myself here. I'm a private solo practitioner practicing family practice in northeast Connecticut for over 12 years. And I know this topic in Bill 424 may be seemingly a little bit mundane, but as other speakers have mentioned before, formularies and prior authorization processes have become a rule that is affecting patient's health care.

I'm a consummate patient care advocate and this has become a problem that is facing patients and their providers every single day. Day in and day out we are put in this quagmire of prior authorizations. As you may realize, over a decade ago insurers introduced prescription formularies and the subsequent prior authorization process as a guise to improve patient care and to reduce costs. I ask the

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Testimony of Omnicare CT
Submitted to the Public Health Committee
HB 5516
An Act Concerning Prescription Drug Administration in Nursing Home Facilities
March 21, 2012

I would like to thank the Committee for the opportunity to speak in support of HB 5516, An Act Concerning Prescription Drug Administration in Nursing Home Facilities. My name is Mike Gemma and I am the Pharmacy Manager, Pharmacist in Charge at Omnicare of CT. Omnicare is a pharmacy located in Cheshire, CT which services skilled nursing homes, group homes and assisted living residents. The intent of this bill is to help nursing homes manage their prescription costs for those patients who have just recently transitioned from a hospital to a nursing home facility.

As you may be aware, Medicare assigns different coverage's, such as Medicare- B, Medicare- D and Medicare- A. Patients who transfer from a hospital to a skilled nursing home are generally covered under Medicare A for a maximum of 100 days. This is basically transition coverage until the patient is approved by either a Medicare - D plan or Medicaid.

What is important is that the Medicare - A reimbursement to the nursing home during this transition is a capped fee for services, which includes prescriptions. The nursing home is billed by the pharmacy while the patient is on Medicare-A. Therefore the nursing home is responsible for the cost of prescriptions while the patient is on Medicare-A. Normally prescription costs are managed by the insurance companies through formularies (Preferred Drug Lists) and other cost containment processes. In the case of patients on Medicare –A , cost effective prescription management rests with the internal processes set up by the nursing home. HB 5516 provides facilities with an additional cost effective tool, namely prescription drug formularies. These formularies are a standard of drug utilization management used by every payer of prescription drugs, including hospitals, Medicaid, Medicare D and Commercial benefit plans. They allow for the prescribing practitioner to permit cost effective substitutions in accordance with the facility's clinical protocol, similar to a standard of practice used by hospitals.

This bill provides nursing homes with a well established and effective approach to managing prescription costs where the demand and pressures to manage healthcare costs have never been greater.

Thank you for your time and consideration in passing HB 5516.

Very truly yours,

Mike Gemma, RPh, MBA

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item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

Also on calendar page 11, Calendar 370, House Bill 5287, move to place the item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Madam President.

Moving to calendar page 13, Calendar 385, House Bill 5123, move to place this item on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered, sir.

SENATOR LOONEY:

Thank you, Madam President.

And a final item, Calendar page 15, Calendar 401, House Bill 5516, move to place this item also on the consent calendar.

THE CHAIR:

Seeing no objection, so ordered.

SENATOR LOONEY:

Thank you, Madam President.

THE CHAIR:

Mr. Clerk.

House Bill 5123; on page 15, Calendar 401, House Bill 5516; on page 19, Calendar 421, House Bill 5107.

On page 21, Calendar 59, Senate Bill Number 97; also on page 21, Calendar 90, Senate Bill 188; on page 21, again, Calendar 72, Senate Bill 63; page 21, Calendar 73, Senate Bill 195; on page 22, Calendar 104, Senate Bill 207; on page 24, Calendar 197, Senate Bill Number 315; also on page 24, Calendar 183, Senate Bill 234.

Page 25, Calendar 208, Senate Bill 347; on page 25, Calendar 233, Senate Bill 371; on page 26, Calendar 275, Senate Bill 391; on page 27, Calendar 288, Senate Bill 299; on page 27, Calendar 292, Senate Bill 156; and on page 28, Calendar 333, Senate Bill Number 426.

THE CHAIR:

Okay. Mr. Clerk, would you please call for a roll call vote and the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Senators please return to the Chamber. Immediate roll call has been ordered in the Senate.

THE CHAIR:

If all members have voted -- all members voted. The machine will be closed. And Mr. Clerk, will you call this great tally?

THE CLERK:

On today's consent calendar.

Total Number voting	36	
Necessary for adoption	19	
Those voting Yea		36
Those voting Nay		0
Those absent and not voting	0	

THE CHAIR:

The consent calendar passed.