



OFFICE OF THE GOVERNOR

THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

June 10, 2005

The Honorable Chester Culver
Secretary of State
State Capitol Building
L O C A L

Dear Mr. Secretary:

I hereby transmit **House File 821**, an Act relating to the establishment of a prescription drug assistance program by the commissioner of insurance, and providing for a contingent appropriation.

Assisting all Iowans with access to lower cost prescription drugs continues to be one of my top priorities. Prescription drug assistance programs similar to the one established in House File 821 have been valuable tools in other states, and this program is estimated to save Iowans between \$6 and \$10 million. Furthermore, House File 821 will compliment the initiatives of the new IowaCare Act (House File 841). I have directed the Insurance Commissioner to work with the Department of Human Services during the implementation process to ensure an efficient and effective use of resources in providing prescription drug assistance to Iowans.

House File 821 is approved on this date with the following exception, which I hereby disapprove. I am unable to approve the item designated as Section 2, subsection 2 in its entirety. I remain concerned that this section unnecessarily diverts resources away from the Senior Living Trust, which provides seniors vital health care and living option services. This section also implies the program is targeted towards older Iowans when its benefits should serve all Iowans who need assistance accessing prescription drugs to protect their health security. If necessary, any future appropriation should come from the state general fund. I cannot and will not support an unnecessary diversion of resources from the Senior Living Trust.

For the above reasons, I respectfully disapprove of the designated item in accordance with Article III, Section 16, of the Constitution of the State of Iowa. All other items in **House File 821** are hereby approved as of this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas J. Vilsack".

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House





HOUSE FILE 821

AN ACT

RELATING TO THE ESTABLISHMENT OF A PRESCRIPTION DRUG ASSISTANCE CLEARINGHOUSE PROGRAM BY THE COMMISSIONER OF INSURANCE, AND PROVIDING FOR A CONTINGENT APPROPRIATION.

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

Section 1. NEW SECTION. 505.26 PRESCRIPTION DRUG ASSISTANCE CLEARINGHOUSE PROGRAM.

1. The commissioner of insurance shall establish and administer a prescription drug assistance clearinghouse program to improve access to prescription drugs for individuals who have no or inadequate health insurance or other resources for the purchase of medically necessary prescription drugs and to assist individuals in accessing programs offered by pharmaceutical manufacturers that provide free or discounted prescription drugs or provide coverage for prescription drugs.

2. The commissioner of insurance shall utilize computer software programs to do all of the following:

a. Provide a clearinghouse to assist individuals in accessing manufacturer-sponsored prescription drug assistance programs for which they may be eligible, including listing the eligibility requirements for pharmaceutical assistance programs offered by manufacturers.

b. Disseminate information about and assist individuals in assessing pharmaceutical discount or insurance programs that may be beneficial.

c. Serve as a resource for pharmaceutical benefit issues.

d. Assist individuals in making application to and enrolling in the pharmaceutical assistance program most appropriate for the individual.

e. Maintain a listing of community-based pharmacy assistance programs for additional assistance.

3. The commissioner of insurance shall provide information to pharmacies, physicians, other appropriate health care providers, and the general public regarding the program and about manufacturer-sponsored prescription drug assistance programs.

4. The commissioner of insurance shall notify pharmaceutical manufacturers doing business in this state of the prescription drug assistance clearinghouse program, and every pharmaceutical manufacturer that does business in this state that offers a pharmaceutical assistance program shall notify the commissioner of the existence of the program, the prescription drugs covered by the program, and all information necessary for application for assistance through the program. The commissioner of insurance shall provide for ongoing review and assessment of pharmaceutical discount or insurance programs.

5. The commissioner of insurance may work with pharmaceutical manufacturers to develop a simplified system to assist individuals in accessing pharmaceutical assistance programs. The system may include a simplified, uniform application process or a voucher system for dispensing prescription drugs through local pharmacies.

6. The commissioner of insurance shall monitor and evaluate the prescription drug assistance clearinghouse program including but not limited to the number of individuals served, the length and types of services provided, and any other measurable data available to assess the effectiveness of the program. The commissioner shall make recommendations for improvement of the program and shall identify and make recommendations regarding additional strategies to improve access to prescription drugs for citizens who have no or inadequate health insurance or other resources for the purchase of prescription drugs.

7. The commissioner of insurance shall submit a report regarding the effectiveness of the program and including any recommendations for improvement of the program to the governor and the general assembly on or before December 15, annually. If a national pharmaceutical assistance program is established by a public or private entity, the commissioner of insurance shall include in the annual report a recommendation regarding the continuation or elimination of the state prescription drug assistance clearinghouse program.

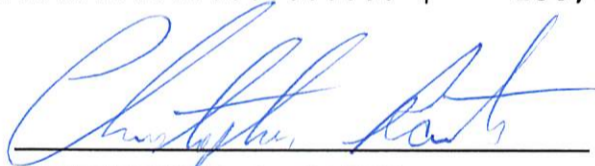
Sec. 2. PRESCRIPTION DRUG ASSISTANCE CLEARINGHOUSE PROGRAM
-- FUNDING -- CONTINGENT APPROPRIATION.

1. The commissioner of insurance shall seek federal funding to establish and administer the prescription drug assistance clearinghouse program pursuant to section 505.26.

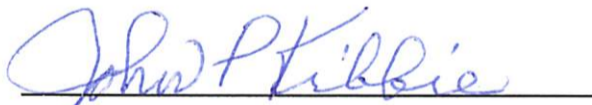
2. If federal funding is not received pursuant to subsection 1 before October 1, 2005, as certified by the commissioner of insurance, there is appropriated from the senior living trust fund created in section 249H.4 to the insurance division of the department of commerce beginning October 1, 2005, and ending June 30, 2006, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For the establishment and administration of the prescription drug assistance clearinghouse program pursuant to section 505.26:

..... \$ 250,000



CHRISTOPHER C. RANTS
Speaker of the House



JOHN P. KIBBIE
President of the Senate

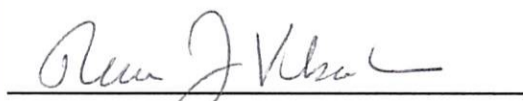
I hereby certify that this bill originated in the House and is known as House File 821, Eighty-first General Assembly.



MARGARET THOMSON
Chief Clerk of the House

with exceptions noted

Approved June 10, 2005



THOMAS J. VILSACK
Governor

*Disapproved
6.10.05
GN*