

1 AN ACT relating to the Critical Access Care Pharmacy Program.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 205 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) As used in this section:

6 (a) "Critical access care pharmacy" means:

7 1. A Kentucky-based brick-and mortar-pharmacy;

8 2. Located in a county having fewer than fifty thousand (50,000)
9 residents according to the most recent federal decennial census; and

10 3. Whose owner owns fewer than ten (10) Kentucky-based brick-and-
11 mortar pharmacies;

12 (b) "Critical Access Care Pharmacy Program payment" means a payment
13 based on the number of individual prescriptions a critical access care
14 pharmacy fills during a quarter multiplied by the lesser of the individual
15 payment amount or the dispensing reimbursement rate used by the
16 department under the Kentucky medical assistance program as of July 1 of
17 the same year;

18 (c) "Department" means the Department for Medicaid Services; and

19 (d) "Individual payment amount" means the quotient of twenty-five percent
20 (25%) of the annual amount appropriated for the Critical Access Care
21 Pharmacy Program divided by the number of prescriptions filled by all
22 critical access care pharmacies reimbursed by Medicaid managed care
23 organizations that quarter.

24 (2) As funds are available, the department shall establish a Critical Access Care
25 Pharmacy Program to ensure the sustainability of critical access pharmacies
26 throughout Kentucky.

27 (3) The Critical Access Care Pharmacy Program shall not exceed ten million dollars

1 (\$10,000,000) each fiscal year and individual payment amounts per prescription
2 shall not exceed the dispensing rate that the department would have reimbursed
3 under the Kentucky medical assistance program as of July 1 of the same year.

4 (4) (a) On a quarterly basis, the department shall determine the number of
5 prescriptions filled by critical access care pharmacies reimbursed by
6 Medicaid managed care organizations utilizing encounter data available to
7 the department.

8 (b) The department shall determine the individual payment amount per
9 prescription.

10 (c) If the individual payment amount per prescription in a quarter exceeds the
11 reimbursement rate under the Kentucky medical assistance program as of
12 July 1 of the same year, the individual payment amount per prescription
13 shall be the dispensing reimbursement rate under the medical assistance
14 program as of July 1 of the same year.

15 (5) On a quarterly basis, the department shall distribute to critical access care
16 pharmacies a Critical Access Care Pharmacy Program payment. The first
17 payment shall be calculated utilizing the encounter data from the last quarter of
18 state fiscal year 2022.

19 (6) The department may promulgate administrative regulations pursuant to KRS
20 Chapter 13A to implement the Critical Access Care Pharmacy Program.

21 (7) Any receipt of payment under this section shall not reduce or influence any other
22 payment a pharmacy may receive for services.