



*The Commonwealth of Massachusetts*

*House of Representatives*

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**THOMAS M. FINNERAN**  
SPEAKER

ROOM 356  
OFFICE PHONE  
722-2500

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**CONTACT: CHARLES RASMUSSEN**  
**(617) 722-2500**  
**ANN DUFRESNE**  
**(617) 722-1500**

## **PRESCRIPTION ADVANTAGE FUNDING INCREASED BY \$14M**

***Finneran, Travaglini & Heinz Kerry Affirm Support for First-in-the-Nation Program***

(MATTAPAN) Teresa Heinz Kerry joined House Speaker Thomas M. Finneran (D-Mattapan) and Senate President Robert E. Travaglini (D-East Boston) at the Mattapan Community Health Center today to announce expanded funding for the Prescription Advantage program. The House Committee on Ways and Means FY'05 budget, scheduled for release on Wednesday, will propose to increase spending on the prescription drug insurance plan by \$14 million, bringing its FY'05 total appropriation to \$110 million.

“Prescription Advantage is a model that every state and, perhaps someday, even the federal government, can follow to guarantee all our citizens access to the drugs they need at the price they can afford,” said Teresa Heinz, chairman of the Heinz Family Philanthropies. “Here in Massachusetts we have shown that government can develop a creative and workable solution to a seemingly insolvable problem.”

In 1999, the Heinz Family Philanthropies joined with the Massachusetts Legislature to solve the problem of growing drug costs. Prescription Advantage, the custom-made, first-in-the-nation program was launched in April 2001. Based on a blueprint drafted by the Heinz Family Philanthropies, the plan currently provides more than 90,000 seniors and disabled Massachusetts residents with access to affordable prescription drugs.

“Pharmaceutical discoveries and biotech breakthroughs are saving lives that have up until this time been lost to illness and disease. These remarkable advances in our longevity and quality of life carry costs which challenge many citizens that live on very modest incomes. The goal of Prescription

*(more)*

Advantage is to help provide access to life sustaining medicines for those people who cannot afford life's basic necessities of food, shelter and medicine. While the federal government continues to

struggle to address this growing concern, Massachusetts will continue to show the way to the rest of the nation,” said Speaker Finneran.

The Romney Administration’s proposed FY’05 spending plan level-funds Prescription Advantage at \$96 million. While the Governor claims to hold the program harmless, recent estimates for the true cost of maintaining Prescription Advantage in the next fiscal are at least \$110 million. The Administration’s proposed Prescription Advantage spending would, in truth, eliminate open enrollment, increase premiums and cut benefits. The \$110 million appropriation announced today by Finneran, Travaglini and Heinz Kerry would require no reductions in current program services.

“Like many other state legislatures, we have been forced to find creative alternatives to combat the escalating costs of drug prices,” stated Senate President Travaglini. “Until we find a systemic solution to this national issue, we will continue to lend our support to innovative programs, such as Prescription Advantage, to mitigate the high costs of prescriptions for our seniors.”

Prescription Advantage members pay premiums, deductibles and co-payments based on their gross annual household income. The plan places an annual out-of-pocket spending limit on the amount members pay in deductible and co-payment amounts toward their prescriptions. Prescription Advantage utilizes a formulary that categorizes prescription drugs into three categories: generic drugs, brand-name drugs and additional brand-name drugs.

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