

N.Y. lawmakers approve drug-discount cards

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ALBANY — About 400,000 moderate-income people between age 50 and 64 will get discount cards from the state that will save them as much as 60 percent on prescription drugs under a budget deal Tuesday among Gov. David Paterson and legislative leaders.

Individuals who make less than \$35,000 a year and married couples whose income is under \$50,000 will be eligible for the cards, as well as people of any age who are disabled.

The plan, which would cut the cost of brand-name drugs by an average of 35 percent and generics 60 percent, will not cost taxpayers anything, since the savings will come from discounts granted by drug companies to bulk purchasers.

"This is designed to help financially vulnerable people pay for their prescription drugs," said Joseph Baker, a Paterson aide.

People will have to submit applications to enter the program, which will be rolled out in a marketing campaign, said state Health Department spokeswoman Claudia Hutton. The cards are to be distributed some time later this year. People who turn 65 are eligible for drug subsidies through Medicare.

The cards were the best news for consumers to come out of budget talks Tuesday, which dragged on mostly behind closed doors as the state entered the new fiscal year without a budget in place, and no firm timetable of when one would be adopted.

Best guess now from officials is by the end of this week — the biggest delay in the last four years. Lawmakers passed a \$332 million temporary-spending bill Monday that will keep the state operating through April 9.

"We'll be back (tonight)," Assembly Speaker Sheldon Silver, D-Manhattan, said Tuesday, pointing out that it takes 36 hours to transform an agreement on how much aid to send to local schools into figures for individual districts — typically the most sought-after figure for lawmakers.

The biggest hurdle to a new spending plan appeared to agreeing on how to raise the \$124 billion it will take to pay for all the spending lawmakers want after they rejected increasing the income tax on millionaires.

The revenue issue "is in the process" of being resolved, Silver said, without providing specifics.

The biggest new source of income agreed to so far is \$265 million from increasing the tax on a pack of cigarettes from \$1.50 to \$2.75. New York City tacks on another \$1.50 a pack.

Increases in some health-insurance fees have also been approved, and a tax on Internet sales is also expected to be adopted.

But it's not clear if such increases will be enough to pay for all of the spending lawmakers want to add to Paterson's budget proposal since they have rejected many of the spending cuts he wanted.

There was also no final agreement on aid to municipalities, but some lawmakers were expecting aid to increase above what was initially proposed by former Gov. Eliot Spitzer.

For example, lawmakers are set to approve mandating the state to keep open four prisons that the Department of Correctional Services wanted to close, at a cost of \$10 million next year but more than \$30 million after that.

Lawmakers also plan to keep open two youth-detention centers, one in the Bronx and the other in Chautauqua County, that the Office of Children and Family Services wanted to close. One in Auburn, Cayuga County, which has about 25 workers and no youth, is expected to close.

“We are in a budget crisis, yet our elected officials are spending scarce taxpayer dollars on keeping open facilities that don't work,” said Mishi Faruqee, of the state Correctional Association, which favors closing the youth centers and expanding community-based programs.

The Great Valley Residential Center in Cattaraugus County has 25 beds and houses 11 children and the Pyramid Intake Center in the Bronx has 57 beds and houses 39 children and needs \$8 million in repairs, according to the association.

Senate spokesman Scott Reif pointed out that the bill hasn't yet been voted on, and that closing four other youth centers was approved.

The prisons should stay open because “it's appropriate to keep those facilities open at this time looking into parole situation,” Reif said, referring to Senate concerns that the administration is letting too many prisoners out on parole.

“We think it sends the wrong message to close down correctional facilities.”