

Department of Finance		<b>Fund: 3029a</b>
<b>STATE OF CALIFORNIA MANUAL OF STATE FUNDS</b>		<b>PAGE 1</b> Renumbered From:
<b><u>Legal Title</u></b> Golden Bear State Pharmacy Assistance Program Rebate Fund		
<b><u>Legal Citation/Authority</u></b> Chapter 693, Statutes of 2001 Health & Safety Code section 130407		
<b><u>Fund Classification</u></b> <b><u>GAAP Basis</u></b> Governmental/Special Revenue Funds	<b><u>Fund Classification</u></b> <b><u>Legal Basis</u></b> Governmental/Other Governmental Cost Funds	
<b><u>Purpose</u></b> This fund was created for the purpose of administering a drug rebate program for all prescription drugs purchased by Medicare beneficiaries who participate in the Golden Bear State Pharmacy Assistance Program, and for defraying the costs of administering this program, including the negotiation of rebates with drug manufacturers and the development of technical systems. All negotiated rebates received from drug manufacturers for this purpose will be deposited into this fund and used to pay rebates to participating pharmacies.		
<b><u>Administering Agency/Organization Code</u></b> Department of Health Services/Org 4260		
<b><u>Major Revenue Source</u></b> General Fund loan of \$1,000,000 for startup costs for implementation of the Golden Bear State Pharmacy Assistance Program. Rebates negotiated with participating drug manufactures.		
<b><u>Disposition of Fund (upon abolishment)</u></b> Pursuant to Government Code 16346, absent language that identifies a successor fund, any balance remaining in this fund upon abolishment shall be transferred to the General Fund.		
<b><u>Appropriation Authority</u></b> Money in this fund is continuously appropriated, without regard to fiscal year.		
<b><u>State Appropriations Limit</u></b> <b>Always Excluded</b> – Revenues in this fund are not proceeds of taxes and even after transfer, will never become proceeds of taxes because the major revenue source is derived from rebates, which are treated similar to reimbursements.		
<b><u>Comments/Historical Information</u></b> Governor Gray Davis has added the following to his signature message: After confirmation of the drug manufacturer's interest, he will authorize DHS to use up to \$250,000 of the one million dollar General Fund loan provided in this legislation to hire contract staff to begin drug rebate negotiations. If DHS determines that this is a viable program, the remainder of the loan will be used to institute system changes needed to administer the program. Fund abolished per Government Code section 13306(b).		