BDR 40-331
AB 156(R1)

UNSOLICITED

EXECUTIVE AGENCY

FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: May 31, 2023

Agency Submitting: Department of Health and Human Services, Health Care Financing and Policy

Items of Revenue or Expense, or Both	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Effect on Future Biennia
Loss of rebates (FFS) (Expense)		$428,000	$428,000	$856,000
Loss of rebates (MCO) (Expense)		$2,200,000	$2,200,000	$4,400,000
FFS market shift to non-preferred (Expense)		$750,000	$750,000	$1,500,000
Total	0	$3,378,000	$3,378,000	$6,756,000

Explanation (Use Additional Sheets of Attachments, if required)

The Division has reviewed the reprint of Assembly Bill 156 and determined that it will have a financial impact on the agency. In the bill as introduced, DHCFP indicated there was no fiscal note; however, this has changed due to the new requirements included in reprint 1.

Section 5.5 requires Nevada Medicaid to pay the non-federal share of expenditures incurred for services of a pharmacist for assess a patient to determine if the patient has an opioid use disorder, determine whether Medication-assisted treatment (MAT) is appropriate, counsel the patient and prescribe and dispense a drug for MAT at a rate equal to the rate of reimbursement provided to a physician (PT20), physician assistant (PT77) or advanced practice registered nurse (PT24). The Division expects that the fiscal impact from this portion of the bill could be absorbed.

Section 5.8 amends NRS 422.4025 to include all prescriptions drugs approved by the FDA to provide medication-assisted treatment for opioid-use disorder (OUD), including without limitation, buprenorphine, methadone and naltrexone as preferred. This requirement will result in loss of supplemental rebates since drug manufacturers provide these rebates when their products receive preferred status. Based on available information, DHCFP estimates an annual expense of $428,000 for the FFS population and $2,200,000 for the MCO population tied to loss of supplemental rebates. Additionally, there will be a market shift in utilization for the FFS population to 50% non-preferred drugs, leading to expended annual pharmacy costs of $750,000 annually.

Between loss of supplemental rebates and a shift to non-preferred drugs, the Division anticipates an impact of $6,756,000 for the FY24-25 biennium. The anticipated federal match percentage is approximately 70%. The expected state share of these costs is $2,026,800.

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