

BILL SUMMARY
1st Session of the 52nd Legislature

Bill No.:	SB 934
Version:	ENGR
Author:	Sen. Anderson/Rep. Schwartz
Date:	March 24, 2009
Impact:	Potential loss of \$5,000,000 to \$7,500,000 in state funds

Bill Summary

Research Analyst: Marcia Goff

Engrossed SB 934 exempts atypical and typical antipsychotics from the preferred drug list in the drug utilization review of the Oklahoma Health Care Authority.

Fiscal Summary

Fiscal Analyst: Mark Newman

ESB 934 exempts antipsychotic medications from any Medicaid preferred drug list, unless it is clinically recommended by the Drug Utilization Review Board and approved by the Chief Medical Officer of the Oklahoma Health Care Authority (OHCA).

Fiscal Analysis

Based on estimates provided by OHCA, ESB 934 will have a total fiscal impact of between \$14 and \$22 million dollars with the state share ranging from \$5 to \$7.5 million. The language in ESB 934 does not exempt the use of generic equivalent drugs. This legislation only exempts drugs in this category for clinical purposes. OHCA will potentially lose the opportunity to save significant funds from antipsychotic prescription drugs as comparable generic prescriptions become available. The recent development and marketing of specific generic antipsychotic medications will allow OHCA to realize additional savings based on drug rebates and discounts related to the use of preferred drugs. In FY-08, OHCA spent \$58.5 million for prescription antipsychotic medications.

Long Term Fiscal Considerations

None

Fiscal Analysis Reviewed By:

Janice Buchanan

House Fiscal Director