

Fiscal Impact
2nd Session of the 57th Legislature

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SB 1085

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Author:

Sen. Thompson

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Fiscal Analysis

Section 1: Creates a revolving fund at the Insurance Department to be named the Insurance Department Pharmacy Benefits Manager Revolving Fund. The Department will use the fund for licensing, regulating, and investigating abuse, negligence, criminal conduct, or other violations of insurance laws and regulations, and ensuring compliance with the same. Monies in the fund will come from the licensure and regulation of Pharmacy Benefits Managers, including, but not limited to, any fees, fines, settlement or consent order proceeds, or other penalties assessed. Provided, for each fiscal year, the first \$500,000 of funds deposited will be transferred to the General Revenue Fund.

Section 2: Declares Emergency.

Fiscal Impact: This designates a fund at the Insurance Department where they can deposit any monies collected from PBMs. However, it also requires the first \$500,000 to go to the GR Fund. Since it is a new fund, it is unknown how much may be collected into the fund each year. Per the Insurance Department, they have only settled one case at this time and if the District Court leans their way it would be a \$2 million dollar settlement. The others they are working on are much smaller and are not finalized yet.