

Fiscal Impact
2nd Session of the 57th Legislature

Bill No.:

SB 1324

Version:

CS

Author:

Sen. McCortney

Date:

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Fiscal Analysis

SB 1324 adds many definitions to the Patient's Right to Pharmacy Choice Act. It adds restrictions on what a PBM contract can do. It requires PBM's to publish on a website the health plan formulary and timely notification of formulary changes. It adds new law with allows new administrative penalties on PBM's to be charged by the Insurance Department. It requires a pharmacy & therapeutics committee to review the formulary annually and to meet certain requirements. It limits the data that a health insurer, a PBM, and the Insurance Department could disclose. It expands the information that the Insurance Department must collect on the application form for PBM's.

The Insurance Department states that since this language adds items that could result in more violations than they are experiencing now, and there will be some reports that OID will have to ensure are redacted and shared to the website, they have a starting estimate of this legislation resulting in them needing to hire 2 FTE's with a cost of about \$150k-\$200k per year, to OID's budget.

FY'23 Impact: \$150,000.00-\$200,000.00

Full Year Impact: \$150,000.00-\$200,000.00

Prepared by: Insurance Department