

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 99** SLS 22RS 366

Bill Text Version: **ENGROSSED**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Date: April 18, 2022	1:02 PM	Author: MILLS, FRED
Dept./Agy.: Louisiana Board of Pharmacy		Analyst: Shane Francis
Subject:		

HEALTH CARE

EG +\$16,500 SG RV See Note

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Provides relative to permits issued by the Louisiana Board of Pharmacy. (8/1/22)

Proposed legislation would require Pharmacy Benefit Managers (PBMs) to obtain and maintain a permit from the Board of Pharmacy to perform pharmacy services in the State of Louisiana. Present law allows PBMs to do so by choice.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$82,500
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$16,500	\$16,500	\$16,500	\$16,500	\$16,500	\$82,500

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure. While proposed legislation will likely increase the volume of PBM permit requests, the Louisiana Board of Pharmacy claims this increase in workload will be marginal and can be absorbed by existing capacity.

REVENUE EXPLANATION

The Louisiana Board of Pharmacy estimates 45 PBM firms to be active within the state, 12 of which currently maintain permits. Proposed legislation requiring permitting is unlikely to lower the amount of firms active in Louisiana, and so it is anticipated that this measure would induce 33 more permit applications. The fee for a PBM permit is \$500 per year. If all PBMs obtain a permit, this would provide an increase of \$16,500 per year in additional self-generated revenue for the board.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Interim Deputy Fiscal Officer