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FISCAL IMPACT REPORT



SPONSOR: Beffort DATE TYPED: 02/01/02 HB _____

SHORT TITLE: Maximize Prescription Drug Discounts SB SJM-35

ANALYST: Weber

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
			NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Human Services Department did not respond.

SUMMARY

Synopsis of Bill

Senate Joint Memorial 35 encourages investigation of opportunities to expand the federal 340B program. This program allows specified federal grantees such as community health centers, migrant health centers, hemophilia treatment centers, AIDS drug assistance programs, and public housing facilities to purchase drugs at discounted prices. For example, on average if the normal retail cost of a particular drug is \$100 the Medicaid price is about \$65 then the 340b price available at Federally Qualified health Centers is about \$54. The memorial requests the Human Services Department lead an interagency group, including the Department of health, the State Agency on Aging and private health organizations explore all avenues to maximize and utilize the 340B pricing advantage. The Human Services Department is directed to report the group's finds and progress to the interim legislative health and human committee at its October 2002 meeting.

Significant Issues

Expansion of this program may help persons receive lower cost prescriptions even if not covered by insurance.

MW/njw