LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6670 NOTE PREPARED: Jan 11, 2022

BILL NUMBER: HB 1372 BILL AMENDED:

SUBJECT: Dispensing Ivermectin.

FIRST AUTHOR: Rep. Nisly

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\begin{array}{cc} \underline{X} & DEDICATED \\ \underline{X} & FEDERAL \end{array}$

<u>Summary of Legislation:</u> This bill allows a physician or advanced practice registered nurse to create a standing order that allows a pharmacist to dispense ivermectin. It provides that a prescription dispensed under a standing order is considered to be issued for a legitimate medical purpose in the usual course of professional practice. The bill prohibits a:

- (1) physician or advanced practice registered nurse who issues; or
- (2) pharmacist or pharmacy that follows;

a standing order from seeking or receiving certain personal financial benefits. The bill requires a pharmacist to provide each recipient of ivermectin under a standing order with a standardized information sheet that includes certain information. It prohibits the information sheet from containing information discouraging the recipient from using ivermectin for the treatment of COVID-19. The bill also prohibits the Medical Licensing Board of Indiana, Indiana State Board of Nursing, or the Indiana Board of Pharmacy from disciplining a physician, advanced practice registered nurse, or pharmacist for certain failures in following a standing order or a defect in the standing order.

Effective Date: July 1, 2022.

Explanation of State Expenditures: <u>Summary</u> - To the extent that the bill results in additional ivermectin prescriptions filled for medical uses approved by the federal Food and Drug Administration (FDA), there could be a minor increase in expenditures under the state Medicaid and employee health plans. Ivermectin is FDA-approved for the treatment of certain parasitic infections. Any dispensing of ivermectin for the treatment of COVID-19 under the standing orders allowed by the bill would primarily be for cash-paying patients, thus not impacting state health care expenditures. Additionally, the Professional Licensing Agency (PLA) may experience a minor reduction of workload if the bill prevents future investigations and

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disciplinary proceedings against physicians, advanced practice registered nurses, or pharmacists relating to ivermectin prescribing and dispensing.

Additional Information -

Medicaid State Share: Medicaid and the Children's Health Insurance Program (CHIP) are jointly funded between the state and federal governments. The standard state share of costs for most Medicaid medical services for FFY 2022 is 34%, or 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan (HIP). The standard state share of CHIP costs is 24%. The state share of administrative costs is 50%. The state share of most Medicaid and CHIP expenditures is paid from General Fund appropriations. However, the state share of HIP costs is paid from dedicated funds.

State Employee Health Plans: Costs for the state health plans are shared between the state and state employees covered by the plan as determined in the plans' designs, including premiums, coinsurance, copayments, and deductibles. An increase in premiums cost may be mitigated with adjustments to other benefits or to employee compensation packages, or through the division of premium costs between the state and state employees.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill potentially impacts local units of government that offer health insurance coverage for employees. Added local health coverage costs may be mitigated with adjustments to other benefits or to the total employee compensation packages, or through the division of costs between the local unit and employees.

Explanation of Local Revenues:

<u>State Agencies Affected:</u> Professional Licensing Agency, Family and Social Services Administration, State Personnel Department.

Local Agencies Affected: Local units with employee health plans.

<u>Information Sources:</u> Food and Drug Administration, *FAQ: COVID-19 and Ivermectin Intended for Animals:*

 $\underline{\text{https://www.fda.gov/animal-veterinary/product-safety-information/faq-covid-19-and-ivermectin-intended-animals.}$

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