

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington St., Suite 301
Indianapolis, IN 46204
(317) 233-0696
iga.in.gov

FISCAL IMPACT STATEMENT

LS 7138

BILL NUMBER: HB 1468

NOTE PREPARED: Feb 17, 2021

BILL AMENDED: Feb 15, 2021

SUBJECT: Various Health Matters.

FIRST AUTHOR: Rep. Davisson

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *988 Crisis Hotline* - The bill specifies that the Division of Mental Health and Addiction (DMHA) has primary oversight over suicide prevention and crisis services activities and coordination and designation of the 988 crisis hotline centers. It sets forth requirements to be designated as a 988 crisis hotline center. It also establishes the statewide 988 Trust Fund (Fund).

Prescriptions - The bill delays the requirement that a prescription for a controlled substance be in an electronic format until January 1, 2022. It specifies that a transfer of a prescription includes a Schedule II Controlled Substance.

Pharmacists - The bill changes references of the pharmacist-in-charge to the pharmacist-on-duty. It allows a pharmacist to supervise eight pharmacy interns. It also allows a pharmacy technician to work remotely to perform specified responsibilities. The bill provides that the Indiana Board of Pharmacy shall hold the pharmacy permit holder accountable, rather than the qualifying pharmacy, for staffing violations if the qualifying pharmacist does not have the authority to make staffing determinations. The bill also removes the requirement that a pharmacist provide a patient with a written advance beneficiary notice that states that the patient may not be eligible for reimbursement for the device or supply.

Remote Dispensing Facility - The bill changes remote dispensing facility requirements concerning location of the facility. It changes how long a remote dispensing facility must retain a surveillance recording from 45 days to 30 days, and it removes specified physical requirements that a video monitor being used by the remote facility must meet.

Therapeutic Substitution - The bill adds therapeutic substitution to the definition of protocol for purposes

of drug regimen adjustments and defines "therapeutic alternative" and specifies use of therapeutic alternative requirements for protocols. It removes a requirement for drug protocols concerning availability of medical records.

Referrals - The bill allows for physician assistants and advance practice registered nurses to make referrals to pharmacists.

Health Plan Definition - It adds any plan or program that provides payment, reimbursement, or indemnification for the cost of prescription drugs to the definition of a "health plan".

Effective Date: December 31, 2020 (retroactive); July 1, 2021.

Explanation of State Expenditures: *988 Crisis Hotline* - The bill allows, but does not require, the DMHA to designate 988 crisis centers and exert oversight and coordination of their suicide prevention and crisis services. The DMHA may experience additional workload to adopt rules, designate 988 crisis centers, and develop a statewide system of crisis and emergency response as provided by the bill. LSA estimates the potential need for three staff positions, with salary costs and benefits estimated at \$228,000 for FY 2022 and \$230,000 for FY 2023. The additional funds and resources required could be supplied through existing staff and resources currently being used in another program, with new appropriations, or through fees collected for the 988 system. Ultimately, the source of funds and resources required to satisfy these requirements of the bill will depend on legislative and administrative actions.

Professional Licensing Agency (PLA) - The PLA and the Board of Pharmacy may experience additional workload to amend rules, as well as to notify licensed pharmacists of changes made under the bill. These activities are expected to be accomplished within existing resources and regularly scheduled meetings. Changes in requirements for pharmacies and pharmacy staff, including changes to pharmacist protocols concerning therapeutic alternatives, may increase regulatory oversight activities for the PLA and Board of Pharmacy.

State Health Care Costs - The bill voids statute and administrative rules that prohibit Schedule II controlled substances from being transferred from one pharmacy to another. The state Medicaid, Children's Health Insurance Plan (CHIP), and state employee health plans could potentially see additional pharmacy benefit claims to the extent that the removal of the restrictions results in additional prescriptions being filled. This impact is expected to be minimal.

Additional Information -

988 Crisis Hotlines: Comparable responsibilities are tasked to the Statewide 911 Board, a body politic with three full-time employees. The cost for DMHA is estimated assuming a three-member staff with similar positions to those of the 911 Board. Recently enacted federal law authorizes the 988 hotline for mental health emergencies to be activated by carriers by July 2022.

Medicaid and CHIP: Medicaid and CHIP are jointly funded between the state and federal governments. The standard state share of costs for most Medicaid medical services for FFY 2021 is 34%, or 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan. The standard state share of CHIP costs is 24%. The state share of administrative costs is 50%. Under federal COVID-19 relief legislation, the state share of costs is decreased to 28% for traditional Medicaid enrollees and 20% for CHIP enrollees for the duration of the federally declared public health emergency.

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: *988 Crisis Hotline* - The bill establishes the nonreverting 988 Trust Fund to receive appropriations of the General Assembly and federal funds supporting the 988 system. [Recently enacted federal legislation does not prohibit the state from implementing a fee or charge on commercial mobile service or IP-enabled voice service to exclusively fund an 988 system, not unlike the statewide 911 fee.]

Disciplinary Action - If pharmacies or pharmacists fail to comply with any of the bill's requirements, the Board of Pharmacy could take disciplinary actions that may impact General Fund revenue. PLA may impose a fine of up to \$1,000, which would be deposited in the state General Fund, or revoke or suspend a license. License revocation or suspension would result in foregone General Fund revenue from license fees. License fees are \$250 biennially for pharmacies and \$160 biennially for pharmacists. Any impact on General Fund revenue is expected to be minimal.

Additional Information - Background on 911 Fee: The Monthly Statewide 911 Fee and Enhanced Prepaid Wireless Charges are collected by telecommunications service providers typically through a separate charge on users' monthly bills. The proceeds of the fee pay the expenses of the Statewide 911 Committee and then are divided among local units of government.

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. Any impact as a result of this bill is expected to be minimal.

Explanation of Local Revenues:

State Agencies Affected: Professional Licensing Agency, Board of Pharmacy; Family and Social Services Administration, Division of Mental Health and Addiction.

Local Agencies Affected: Local units offering health insurance coverage.

Information Sources: <https://www.in911.net/>, FY 2018 Audit Report, accessed on January 10, 2021; Legislative Services Agency, *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2020.

Fiscal Analyst: Adam White, 317-234-1360; Karen Rossen, 317-234-2106.