

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 364 – SB 475

February 17, 2019

SUMMARY OF BILL: Requires all solid oral Schedule II opioids, Schedule II stimulants, and Schedule IV benzodiazepines that are prescribed with more than three days of medication be dispensed by a pharmacy in a lockable vial except in certain instances. Authorizes a prescribing physician to specify a lockable vial for any medication with pediatric fatality risks.

Requires manufacturers of applicable controlled substances to register on the pharmacy connectivity networks used for electronic billing and payment and in collaboration with the National Council for Prescription Drug Programs (NCPDP), and develop electronic billing codes for lockable vials for purposes of reimbursing the pharmacy for the cost of the vial.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The Division of TennCare (Division) incurs a dispensing fee cost per prescription based on the cost and work required to fill the prescription.
- Dispensing fees, among other things, are based on prescription preparation time as follows:
 - 0-15 minutes
 - 16-30 minutes
 - 31+ minutes
- The average dispensing fee cost that the Division incurs per prescription is \$8.31.
- The proposed legislation will not significantly increase the prescription preparation time or the dispensing fee cost to the Division; therefore, any fiscal impact is estimated to be not significant.
- Based on information provided by the Department of Finance and Administration, Benefits Administration, the proposed legislation will not impact insurance claims; therefore, any fiscal impact is estimated to be not significant.
- The proposed legislation will not have a significant impact on the procedures or processes of the health related boards or the Department of Health; therefore, any fiscal impact is estimated to be not significant.

- Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The Board of Pharmacy had an annual surplus of \$620,117 in FY16-17, an annual surplus of \$811,793 in FY17-18, and a cumulative reserve balance of \$3,206,511 on June 30, 2018.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/vlh