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 DATE PREPARED: February 02, 2021
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LB 413

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2021-22		FY 2022-23	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

This bill requires the Medicaid Program to provide medications for substance use disorder treatment, including all current and new formulations and medications approved by the Food and Drug Administration. The drugs shall be placed on the lowest cost-sharing tier and shall not be subjected to annual or lifetime dollar limitations; financial requirements and quantitative treatment limitations, step therapy which interfere with a prescribed or recommended course of treatment or prior authorization.

The Department of Health and Human Services' fiscal note indicates there could be a fiscal impact but it cannot be determined. The two restrictions that could have a fiscal impact are: 1) the exclusion of prior authorization for substance abuse disorder treatment medications or behavioral, cognitive or mental health services, and 2) a prohibition on step therapy when the therapy would conflict with the recommended course of treatment by a physician or other health care provider.

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

State Agency or Political Subdivision Name:(2) Department of Health and Human Services

Prepared by: (3) Mike Michalski

Date Prepared 2-2-2021

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	<u>FY 2021-2022</u>		<u>FY 2022-2023</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below		See Below	

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The fiscal impacts to the division of Medicaid and Long-Term Care (MLTC) for LB 413 are indeterminable. Certain sections of this bill conflict with federal requirements and policy, while other sections are duplicative of federal law.

The federal government recognizes step therapy as an appropriate method for safe use of these drugs as they are high risk and there are many considerations that go into determining which medications should be provided to a particular patient. Additionally, federal law is now requiring states to cover Medication Assisted Treatment (MAT) as a mandatory covered service. Since these services and patient specific step therapy scenarios are not easily distinguishable in current MLTC practice, the change of the funding for these medications is indeterminable.

If LB 413 is enacted as currently written and the impact to DHHS is outside of the current appropriation, MLTC would require additional appropriation to pay for the services.

MAJOR OBJECTS OF EXPENDITURE

PERSONAL SERVICES:	NUMBER OF POSITIONS		2021-2022	2022-2023
	21-22	22-23	EXPENDITURES	EXPENDITURES
POSITION TITLE				
Benefits.....				
Operating.....				
Travel.....				
Capital Outlay.....				
Aid.....				
Capital Improvements.....				
TOTAL.....				