

PREPARED BY: Liz Hruska
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 PHONE: 471-0053

LB 400

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FISCAL NOTE
 LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2007-08		FY 2008-09	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See below		See below	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill requires the Department of Health and Human Services Finance and Support to audit Medicaid drug rebate payments from manufacturers for the sale of generic and reference-listed drugs. A report to the Health and Human Services Committee is required by July 1, 2008.

The department has drug rebate agreements with manufacturers as authorized by federal law. The audit is anticipated to cost \$37,166 (\$15,333 GF and \$21,833 FF) in FY 08 for temporary staff and a contract with a pharmacist. The cost of the audit may result in the collection of additional drug rebates that may partially cover, fully cover or exceed the cost of the audit.