



Performance Note
HB0163S01 - Prescription Drug
Importation Program
 Sponsor: Rep. Thurston, Norman K.
 ***** REJECTED BY SPONSOR *****



Performance Note Report

Author: Marc Babitz
 Agency: Department of Health

Funding For:

New Services or Benefit

Public Benefit:

Purpose: Design and implement a wholesale Canadian prescription drug importation program.

Services: Assist Utahans with lower prescription drug costs.

Expected Outcome: Lower cost, same quality prescriptions for Utahans.

Implementations and Resources: A total of 4 new staff members will be needed to run this new program as well as 5 new auditors to perform the audits needed and required by the bill. New space will be needed to house these employees, consultants will need to be hired and kept on contract to assist the Department with the expertise it does not have.

How: The 4 staff members will assist with all applicable applications and contracting of the consultants as well as do the required work (other than auditing) called for by the bill. The auditors will perform the duties as described in the bill. All upfront costs will need to be funded by state funds. The bill allows for fee collection, but until a study is completed, a program is designed, a list is made, and sellers get on board, it is unclear how much we would be able to recoup from the fees.

Performance Measures

Goal

Title: Letter of Intent Submission

Description: Seek approval for the program from the Secretary of the United States Department of Health and Human Services by the stated deadline.

Collection Method: Staff will have the information available.

	2018	2019	2020
Done	0.00	0.00	0.00
Baseline	0.00	0.00	0.00

By rule, performance notes are provided by the governmental entity that will supervise the new agency or administer the new program. Performance notes are not written by the Office of the Legislative Fiscal Analyst.

The sponsor provided this alternative performance note due to the sponsor's rejection of the Department of Health's submission.

Funding For

New Services or Benefit

Purpose

Design and implement a wholesale Canadian prescription drug importation program.

Services

Assist Utahns with lower prescription drug costs.

Outcomes

Access to lower cost, same quality prescriptions for Utahns.

Resources

In the study and startup phase the Department will need to hire or keep on contract consultants to provide the Department with expertise not currently available. Once the program is approved, the Department will need to hire approximately 4 new staff members to oversee and run this new program as well as 5 new auditors to perform the audits needed and required by the bill. New space will be needed to house these employees.

How

During the study and startup phase, Department staff will procure qualified consultants to complete the study and application and to oversee the consulting contract. Contracted consultants will complete the bulk of the work required in these phases. As available and needed, Department staff may also assist the consultant with the preparation and submission of applications and establishing the program. Once the program is approved, Department staff will do the required work (other than auditing) called for by the bill. The auditors will perform the auditing duties as described in the bill. All upfront costs will need to be funded by state funds or grant funds. The bill allows for fee collection to recoup the cost of establishing and operating the program, but until the initial study is completed and the program is designed, it is unclear how the fees would be set in order to recoup the costs from fees.