



**Fiscal Note**  
**H.B. 163 2nd Sub. (Gray)**  
 2018 General Session  
 Prescription Drug Amendments - As Amended  
 by Thurston, N. (Thurston, Norman.)



**General, Education, and Uniform School Funds**

JR4-5-101

	Ongoing	One-time	Total
Net GF/EF/USF (rev.-exp.)	\$0	\$0	\$0

**State Government**

UCA 36-12-13(2)(b)

Enactment of this legislation may result in the Department of Health receiving one-time dedicated credits of \$550,000 in FY 2018 and \$1,551,600 in FY 2019, and ongoing dedicated credits of \$1,103,300 beginning in FY 2020. Additionally, the Department of Insurance may receive one-time dedicated credits of \$30,700 in FY 2019 and ongoing of \$61,500 beginning in FY 2020.

Revenues	FY 2018	FY 2019	FY 2020
Dedicated Credits	\$550,000	\$1,582,300	\$1,164,800
<b>Total Revenues</b>	<b>\$550,000</b>	<b>\$1,582,300</b>	<b>\$1,164,800</b>

Enactment of this legislation may have one-time implementation costs to the State of \$550,000 in FY 2018 and \$1,582,300 in FY 2019, and ongoing costs, beginning in FY 2019 of \$1,164,800. Additionally, enactment of this legislation may reduce State-funded health insurance pharmacy costs by \$1.5 million and Medicaid pharmacy costs by \$20 million annually beginning in 2019. The program is repealed effective July 1, 2028.

Expenditures	FY 2018	FY 2019	FY 2020
Dedicated Credits	\$550,000	\$1,582,300	\$1,164,800
<b>Total Expenditures</b>	<b>\$550,000</b>	<b>\$1,582,300</b>	<b>\$1,164,800</b>

<b>Net All Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
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**Local Government**

UCA 36-12-13(2)(c)

Local government-funded health plans may see reduced expenditures in pharmacy drug costs of around \$2.5 million annually beginning in 2019.

**Individuals & Businesses**

UCA 36-12-13(2)(d)

Privately-funded health insurance plans may see reduced spending on prescription drugs of around \$70 million annually beginning in FY 2019. Additionally, businesses that participate in the prescription drug importation program may pay fees of \$50,000 in FY 2018, \$1,582,300 in FY 2019, and \$1,164,800 annually beginning in FY 2020.

**Regulatory Impact**

Enactment of this legislation likely will not change the regulatory burden for Utah residents or businesses.

**Performance Note**

JR4-2-404

Required of the Health and due by February 14, 2018

**Notes on Notes**

Fiscal notes estimate the direct costs or revenues of enacting a bill. The Legislature uses them to balance the budget. They do not measure a bill's benefits or non-fiscal impacts like opportunity costs, wait times, or inconvenience. A fiscal note is not an appropriation. The Legislature decides appropriations separately.