

FISCAL NOTE
Requested by Legislative Council
02/13/2013

Amendment to: HB 1274

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$224,493		\$446,290
Expenditures			\$74,831	\$224,493	\$148,763	\$446,290
Appropriations			\$74,831	\$224,493	\$148,763	\$446,290

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1274 requires ND Medicaid to accept electronic prior authorizations submitted by prescribers through their e-prescribing software. This will allow the Department to respond electronically to prescribers in real time.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

HB 1274 will require the Department to accept electronic prior authorizations submitted by prescribers through their e-prescribing software. The costs incurred by the Department of \$299,324, of which \$74,831 is general fund, will include costs for the vendor to connect their system to the state's Point of Sale/Medicaid Management Information System, costs for the state to interface with the vendor's system, and the costs for an additional Pharmacist FTE to oversee implementation.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The other fund revenue is additional Medicaid funding the state will be able to access.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The fiscal impact for the Department of Human Services for the 2013-2015 biennium is comprised of: a vendor contract for connection costs to the State's POS/MMIS \$150,000, of which \$37,500 is general fund, costs to interface vendor system to State's POS/MMIS \$100,000, of which \$25,000 is general fund, and costs for additional Pharmacist FTE and operating costs of \$49,324, of which \$12,331 is general fund. The fiscal impact of \$595,995, of which \$148,999 is general fund, for the 2015-2017 biennium would include the on-going maintenance and operating costs as well as the costs to retain the pharmacist FTE.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

The Department will need an appropriation increase of \$299,324 in the 2013-2015 biennium, of which \$74,831 would be general fund and \$224,493 would be federal funds. The Department will need an appropriation increase of \$595,995 in the 2015-2017 biennium, of which \$148,763 would be general fund and \$446,290 would be federal funds.

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Date Prepared: 02/20/2013