

FISCAL NOTE
Requested by Legislative Council
04/03/2015

Amendment to: SB 2043

- 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.*

	2013-2015 Biennium		2015-2017 Biennium		2017-2019 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues				\$(932,574)		\$(1,306,870)
Expenditures			\$(932,574)	\$(932,574)	\$(1,306,870)	\$(1,306,870)
Appropriations			\$(932,574)	\$(932,574)	\$(1,306,870)	\$(1,306,870)

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

	2013-2015 Biennium	2015-2017 Biennium	2017-2019 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).*

SB2043 directs the Department to adopt rules governing payments to licensed paramedics and EMT's for health-related services provided to recipients of medical assistance. The Department may negotiate additional rebates from drug manufactures and may join a multistate supplemental drug rebate pool.

- 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.*

Section 1 directs the department to adopt rules and provide payments to licensed community paramedics and emergency medical technicians for providing health-related services to recipients of medical assistance. Any care provided by a licensed community paramedics or emergency medical technicians must be supervised by a physician or advanced practice registered nurse. The department estimates that there are 100 potential recipients who would benefit from these services. The fiscal note assumes a July 1, 2016 implementation to allow adequate time for the Department to adopt rules. 15-17 biennium expenditures will increase by \$36,000 of which \$18,000 is General Fund and \$18,000 is Federal Funds.

Section 2 allows the department to negotiate additional rebates from drug manufacturers to supplement the rebates required by federal law governing the medical assistance program. Additionally, the department may join a multistate supplemental drug rebate pool. The fiscal note assumes a January 1, 2016 implementation resulting in a supplemental rebate increase equal to 3% of the pre-rebate pharmacy expenditures. The 15-17 biennium expenditures are estimated to decrease by (\$1,901,148) of which (\$950,574) is General Fund and (\$950,574) are Federal Funds.

The net Fiscal impact for the 15-17 biennium is an expenditure decrease of (\$1,865,148) of which (\$932,574) is General Fund and (\$932,574) are Federal Funds.

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 Department will reduce the net federal Medicaid funding it receives by increasing the amount of drug rebates it collects, thus reducing revenue by (\$932,574) for the 15-17 biennium and (\$1,306,870) for the 17-19 biennium.

- 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 net estimated expenditures under the Medicaid grants line item for the 15-17 biennium would be reduce by (\$1,865,148) of which, (\$932,574) is General Fund and (\$932,574) is Federal Funds. In the 17-19 biennium, estimated expenditures would be (\$2,613,740) of which, (\$1,306,870) is General Fund and (\$1,306,870) is Federal Funds.

- 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 or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The Departments appropriation in SB2012 may be decreased for the 15-17 biennium by (\$1,865,148) of which, (\$932,574) is General Fund and (\$932,574) is Federal Funds. The Department's appropriation need will decrease for the 17-19 biennium by (\$2,613,740) of which, (\$1,306,870) is General Fund and (\$1,306,870) is Federal Funds.

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