

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5476-03
Bill No.: Perfected SCS for SB 1239 & 1091
Subject: Elderly, Drugs and Controlled Substances; Social Services Department;
 Consumer Protection
Type: Original
Date: April 12, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$292,194)	(\$310,213)	(\$311,724)
Total Estimated Net Effect on General Revenue Fund	(\$292,194)	(\$310,213)	(\$311,724)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services - Division of Medical Services (DMS)** assumes two FTE will be required to implement this proposal. A Management Analysis Specialist would be required to provide statistical expertise in the sampling and validation and a Medicaid Specialist would be required to organize, design and develop the program, as well as to evaluate and monitor the program on an on-going basis.

DMS assumes has included \$250,000 for contracting with a third party for sampling and reporting or systems and software to perform this function internally.

Oversight assumes the Management Analyst will not be needed since the third party contractor will do the sampling and reporting.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
---	---------------------	---------	---------

GENERAL REVENUE

Costs - Department of Social Services -
 Division of Medical Services

Personal Services (1 FTE)	(\$33,545)	(\$41,277)	(\$42,309)
Fringe Benefits	(\$4,780)	(\$18,186)	(\$18,642)
Expense and equipment	<u>(\$253,869)</u>	<u>(\$250,750)</u>	<u>(\$250,773)</u>

**ESTIMATED NET EFFECT ON
 GENERAL REVENUE**

	<u>(\$292,194)</u>	<u>(\$310,213)</u>	<u>(\$311,724)</u>
--	--------------------	--------------------	--------------------

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
---	---------------------	---------	---------

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
--	------------	------------	------------

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal establishes the Affordable Prescription Drugs for all Missourians Act. Under this proposal, the Missouri RX plan, within the Department of Social Services shall conduct research and collect on a quarterly basis a statistically valid sample of data on the retail prices charged by pharmacies for the fifty most frequently prescribed medicines from any pharmacy licensed by this state.

The Missouri Rx plan shall make available on an Internet website drug prices from each pharmacy for a thirty-day supply at a standard dose. In addition, drug prices will be made available by calling a toll-free phone number.

The data collected shall be reported for each drug by pharmacy and by metropolitan statistical area or region and updated quarterly. The website shall be made available no later than January 1, 2007.

L.R. No. 5476-03
Bill No. Perfected SCS for SB 1239 & 1091
Page 4 of 4
April 12, 2006

DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services



Mickey Wilson, CPA
Director
April 12, 2006