

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5011S.04T  
Bill No.: Truly Agreed To and Finally Passed SS for HB 2162  
Subject: Office of Administration; Department of Corrections; Courts; Drugs and  
Controlled Substances; Health, Public; Department of Health and Senior Services;  
Pharmacy  
Type: Original  
Date: May 24, 2022

---

Bill Summary: This proposal modifies provisions relating to opioid addiction treatment.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on <u>Other State Funds</u></b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

#### §195.206 – Addiction mitigation medication:

Officials from the **Department of Commerce and Insurance** and the **Department of Health and Senior Services** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

#### §196.1050 – Opioid Addiction Treatment and Recovery Fund:

Officials from the **Attorney General’s Office, Department of Mental Health, Department of Social Services, Department of Health and Senior Services, and the Department of Public Safety** each state this proposal would not fiscally impact their respective agencies.

In response to a previous version, officials from the **Office of Administration** stated the proposal would not have a fiscal impact on their agency.

**Oversight** notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Officials from the **Office of the State Courts Administrator** state there may be some impact but there is no way to quantify that currently. The use of the Opioid Addiction Treatment and Recovery Fund could potentially result in appropriations from the fund for the Judiciary.

Officials from the **Department of Corrections (DOC)** state the bill modifies provisions relating to the opioid addiction treatment and recovery fund.

At intake, 46% of Missouri’s prison population reported a history of prescription drug, illicit drug and/or alcohol use. Research indicates that approximately 58% of those confined in prisons have a substance use disorder (Connolly, 2019). It is reasonable to assume offenders likely under-reported their use at intake and that the true incidence is much closer to 58%.

Approximately 13,340 (23,000 x 58%) of the offenders incarcerated in Missouri prisons have a substance use disorder. Methamphetamine is still the most common drug of choice among the Missouri offender population; however, opioid use disorders are definitely on the rise and when paired with alcohol use disorders are conservatively estimated to affect 4,002 (13,340 x 30%) incarcerated offenders.

This legislation could have a positive impact on the Department of Corrections and could allow for the expansion of programs and services. However, as this fund is dependent on monetary settlements and appropriation by the General Assembly, it is unknown how much funding will be appropriated to the DOC for use in treatment programming and prevention.

**Oversight** notes the following information is provided on the AGO’s website, “*The Missouri Attorney General’s Office recently announced a term sheet and settlement with several opioid distributors (McKesson, Amerisource Bergen, and Cardinal Health), and Johnson & Johnson, which could total just under half a billion dollars to be spent directly on opioid abatement and treatment. This money will go to aid those suffering from addiction and provide needed resources to treatment centers and other support systems across the state. With this settlement, the Missouri Attorney General’s Office is working to fight addiction and save lives.*” Also stated on the AGO’s website “*Under the term sheets that were distributed, the three distributors – Amerisource Bergen, McKesson, Cardinal Health - collectively will pay up to \$21 billion over 18 years. Johnson & Johnson will pay up to \$5 billion over nine years with up to \$3.7 billion paid during the first three years. Formulas and payment structures are still being worked out, so the exact monetary value that Missouri will receive is not final yet, although the settlement will mean hundreds of millions for opioid abatement and treatment.*”

**Oversight** assumes this part of the proposal simply expands the list of state agencies that can receive monies from the Opioid Addiction Treatment and Recovery Fund (0705) (balance of \$9,735,606 at 4/30/2022) **to also include** the Department of Corrections and the Judiciary. Oversight assumes the proposal does not create a direct fiscal impact to the state and would simply allow more flexibility during the state’s appropriations process.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

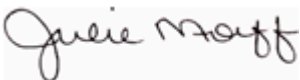
Under this act, any licensed pharmacist may sell and dispense an addiction mitigation medication under a physician protocol or a statewide standing order. A pharmacist who, acting in good faith and with reasonable care, sells or dispenses the addiction mitigation medication and an appropriate device to administer the drug, and the protocol physician, shall not be subject to any criminal or civil liability or professional disciplinary action for prescribing or dispensing the medication and any outcome resulting from the administration of the medication. A physician issuing the statewide standing order shall likewise face no liability or professional discipline relating to the order or administration of the medication. It shall be permissible for any person to possess an addiction mitigation medication.

The proposed provides that, in addition to those departments that currently have access, the Department of Corrections and the judiciary shall have access to the Opioid Addiction Treatment and Recovery Fund to pay for opioid addiction treatment and prevention services and health care and law enforcement costs related to opioid addiction treatment and prevention.

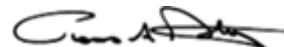
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Attorney General's Office  
Department of Corrections  
Department of Public Safety  
Department of Health and Senior Services  
Department of Mental Health  
Department of Social Services  
Department of Commerce and Insurance  
Office of Administration  
Office of the State Courts Administrator



Julie Morff  
Director  
May 24, 2022



Ross Strobe  
Assistant Director  
May 24, 2022