

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5510S.01I
Bill No.: SB 968
Subject: Drugs and Controlled Substances; Health Care; Insurance - Health; Pharmacy
Type: Original
Date: January 20, 2026

Bill Summary: This proposal modifies provisions relating to pharmacy benefits managers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Other State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
State Road Fund (1320)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Conservation Commission Fund (1609)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on Other State Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Federal Funds (MCHCP)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on All Federal Funds	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

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.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§§338.015 & 376.388 – Pharmacy Benefits Managers

Officials from the **Missouri Consolidated Health Care Plan (MCHCP)** assume this proposal modifies provisions relating to pharmacy benefit managers (PBM's). There are two main sections which would have a fiscal impact on MCHCP. This legislation contains any willing provider language, which would prevent MCHCP from utilizing a network to save on their pharmacy payments.

The bill also requires reimbursement based on the NADAC cost and a dispensing fee in an amount not less than ninety percent of the MO HealthNet professional dispensing fee in effect on the date of service.

With the assistance of MCHCP's pharmacy benefit manager, the dispensing fee and final ingredient cost is estimated to cost MCHCP unknown but up to \$2 million. The loss of the network saving is estimated to be slightly over \$1 million, therefore, the estimated impact of this bill on MCHCP is unknown but not to exceed \$3,000,000.

Oversight assumes this proposal requires PBM's to reimburse pharmacies at or above the NADAC or MAC (maximum allowed cost) whichever is higher and requires a dispensing fee equal to at least 90 % of Missouri HealthNet dispensing fee per script. Oversight assumes if state-employed PBM contracts must now pay higher dispensing fees, this could raise prescription cost.

Oversight will show a cost of \$0 or Unknown. Based on MCHCP's estimate, Oversight assumes the cost could exceed \$250,000.

Officials from the **Missouri Department of Transportation (MoDOT)** assume this bill has no direct impact on the MoDOT-MSHP medical plan but would increase costs for third party administrators which in turn would be passed on to the plan when the contract is renewed.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a fiscal impact \$0 or Unknown to the State Road Fund (1320).

Although the Missouri Department of Conservation (MDC) responded no impact to this fiscal note request, Oversight assumes this proposal could have a fiscal impact to MDC and Local Political Subdivisions. Oversight will range the fiscal impact as \$0 or Unknown to the Conservation Commission Fund (1609), and Local Political Subdivisions.

Officials from the **Department of Commerce and Insurance, Department of Social Services** and **Missouri Department of Conservation** 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.

Officials from the **Department of Public Safety - Missouri Highway Patrol** defer to the Missouri Department of Transportation for the potential fiscal impact of this proposal.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

FISCAL IMPACT – State Government	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
Cost – MCHCP (§§338.015 & 376.388) Dispensing Fees & Network Savings p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
FEDERAL FUNDS			
Cost – MCHCP (§§338.015 & 376.388) Dispensing Fees & Network Savings p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
OTHER FUNDS			
<u>Cost</u> – MCHCP (§§338.015 & 376.388) Dispensing Fees & Network Savings p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON OTHER FUNDS	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
STATE ROAD FUND (1320)			
<u>Cost</u> – MoDOT (§§338.015 & 376.388) Dispensing Fees & Network Savings p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON STATE ROAD FUNDS (1320)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
CONSERVATION COMMISSION FUND (1609)			
<u>Cost</u> – MDC (§§338.015 & 376.388) Dispensing Fees & Network Savings p.3	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON CONSERVATION COMMISSION FUND (1609)	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Cost</u> – (§§338.015 & 376.388) Dispensing Fees & Network Savings p.3-4	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

FISCAL IMPACT – Small Business

A direct fiscal impact on small businesses for increase in health insurance benefits could be expected as a result of this proposal.

FISCAL DESCRIPTION

Under this act, no pharmacy benefits manager shall prohibit or limit a covered person from selecting a pharmacy or pharmacist of their choice or impose a monetary advantage or penalty that would affect a covered person's choice if a pharmacy or pharmacist has agreed to participate in a covered person's health benefit plan. A pharmacy benefits manager shall not impose upon a pharmacy or pharmacist any course of study, accreditation, certification, or credentialing as a condition of participation that is inconsistent with, more stringent than, or in addition to what is required under state law. Additionally, a pharmacy benefits manager shall not pay or reimburse a pharmacy or pharmacist for an amount less than the most recently published National Average Drug Acquisition Cost (NADAC) for a prescription drug.

This act requires a pharmacy benefits manager to reimburse pharmacies for a drug at an amount that is the greater of the maximum allowable cost (MAC) pricing or the current NADAC pricing. Additionally, no pharmacy benefits manager shall retaliate against a contracted pharmacy for exercising its right to appeal a reimbursement dispute to the pharmacy benefits manager.

A pharmacy benefits manager shall reimburse any pharmacist or pharmacy located in this state for an amount equal to what the pharmacy benefits manager reimburses a pharmacy benefits manager affiliate for dispensing the same prescription drug.

Finally, in addition to the reimbursement amounts determined by the MAC and NADAC, a pharmacy benefits manager shall reimburse a pharmacy or pharmacist a dispensing fee no less than 90% of the MO HealthNet professional dispensing fee in effect on the date of service.

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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 Commerce and Insurance

Department of Public Safety - Missouri Highway Patrol

Department of Social Services

Missouri Department of Conservation

Missouri Department of Transportation

Missouri Consolidated Health Care Plan

Office of the Secretary of State

Joint Committee on Administrative Rules



Julie Morff

Director

January 20, 2026



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January 20, 2026