# COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

### **FISCAL NOTE**

L.R. No.: 3027-06

Bill No.: SCS for HCS for HB 1332

Subject: Health Care; Health Care Professionals; Pharmacy

Type: Original

<u>Date</u>: May 14, 2008

Bill Summary: This legislation establishes guidelines for an entity auditing a pharmacy.

## FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2009	FY 2010	FY 2011	
<b>Total Estimated</b>				
Net Effect on General Revenue				
Fund	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2009	FY 2010	FY 2011	
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 5 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FY 2009	FY 2010	FY 2011		
02	02	\$0		
]		FY 2009 FY 2010		

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2009	FY 2010	FY 2011	
Total Estimated Net Effect on FTE	0	0	0	

- □ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- ☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2009	FY 2010	FY 2011	
<b>Local Government</b>	\$0	\$0	\$0	

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## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the Department of Health and Senior Services, Office of the State Auditor, Department of Conservation, Department of Highways and Transportation, Department of Insurance, Financial Institutions & Professional Registration and the Office of the State Courts Administrator each assume the proposal would have no fiscal impact on their respective agencies.

In response to a previous version, officials from the **Office of the State Public Defender** and the **Missouri Consolidated Health Care Plan** each assume the proposal would have no fiscal impact on their respective agencies.

Officials from the **Office of the Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Department of Mental Health (DMH)** state although the DMH operates pharmacies it is not an entity that performs audits as described in this proposal. Therefore, this proposal would have no fiscal impact upon the Department.

Officials from the **Department of Social Services** states the main difference in the SCS is that the provisions of this bill are not applicable to audits conducted as part of any inspection or investigation conducted by the Board of Pharmacy.

The MO HealthNet Division (MHD) reviewed FN 3027-01N and stated there would be no fiscal impact to MHD. Since MHD is not a listed agency, the enumerated rights would not apply.

	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FISCAL IMPACT - State Government	FY 2009 (10 Mo.)	FY 2010	FY 2011

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	<b>\$0</b>	<b>\$0</b>	\$0
FISCAL IMPACT - Local Government	FY 2009 (10 Mo.)	FY 2010	FY 2011

### FISCAL IMPACT - Small Business

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

### FISCAL DESCRIPTION

The proposed legislation establishes guidelines that any entity auditing a pharmacy must follow. Any entity conducting an audit must develop an appeals process under which a pharmacy can appeal an unfavorable audit report. The substitute does not apply to any investigative audits involving fraud, willful misrepresentation, or abuse.

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

Office of the Attorney General
Office of the State Courts Administrator
Department of Insurance, Financial Institutions & Professional Registration
Department of Mental Health
Department of Health and Senior Services
Department of Social Services
Office of the State Auditor
Office of the State Public Defender
Department of Conservation
Department of Highways and Transportation
Missouri Consolidated Health Care Plan

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