

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1622-01
Bill No.: HB 725
Subject: Health Care
Type: Original
Date: March 1, 2019

Bill Summary: This proposal changes provisions relating to the prescribing and dispensing of tobacco cessation products.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
Total Estimated Net Effect on General Revenue	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Federal Funds*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Savings, income, costs and losses unknown and net to \$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§338.010 and 338.800 - Pharmacists prescribing and dispensing tobacco cessation products

Officials from the **Department of Social Services (DSS), MO HealthNet Division (MHD)** state § 338.800 allows pharmacists to prescribe and dispense any tobacco cessation products. Tobacco cessation products are defined as any drug approved by the federal Food and Drug Administration for use as an aid to tobacco cessation. The board of pharmacy shall adopt regulations.

Based on FY 2018 data, MO HealthNet had 111,948 participants with a diagnosis of nicotine dependence. 19,491 of those participants utilized tobacco cessation products in the last year, leaving 92,457 participants who could potentially seek prescriptions directly from a pharmacist in lieu of a physician. On average participants utilizing tobacco cessation products get 2.5 prescriptions per year. The average cost of a tobacco cessation product prescription is \$124.16.

MO HealthNet also assumes some savings as a result of increased tobacco cessation product use. An article published on Medicaid.Gov (<https://www.medicaid.gov/medicaid/quality-of-care/improvement-initiatives/tobacco/index.html>) indicates a savings of \$2-\$3 for every dollar invested in tobacco cessation.

The number of individuals that will utilize a pharmacist to receive tobacco cessation products instead of a physician is unknown and the total amount of associated savings related to tobacco cessation is unknown; therefore, the fiscal impact is presented as a range from \$0 - Unknown.

MHD notes that there could be an increase in pharmacy fees paid due to nicotine dependent MHD participants getting prescriptions directly from pharmacists.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the fiscal impact of this proposal as Unknown savings to Unknown costs.

Oversight notes that the **Department of Health and Senior Services**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Public Safety**, **Missouri State Highway Patrol**, the **Missouri Consolidated Health Care Plan**, the **Missouri Department of Conservation** and the **Missouri Department of Transportation** have stated the proposal would not have a direct fiscal impact on their organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE FUND			
<u>Savings</u> - DSS (§§338.010 and 338.800) Reduction in Medicaid expenditures as a result of decreased smoking	Unknown	Unknown	Unknown
<u>Costs</u> - DSS (§§338.010 and 338.800) Pharmacy costs	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>
FEDERAL FUNDS			
<u>Savings</u> - DSS (§§338.010 and 338.800) Reduction in Medicaid expenditures as a result of decreased smoking	Unknown	Unknown	Unknown
<u>Income</u> - DSS (§§338.010 and 338.800) Increase in program reimbursements	Unknown	Unknown	Unknown
<u>Costs</u> - DSS (§§338.010 and 338.800) Pharmacy expenditures	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<u>Loss</u> - DSS (§§338.010 and 338.800) Reduction in program reimbursements as a result of decreased smoking	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2020
(10 Mo.)

FY 2021

FY 2022

\$0

\$0

\$0

FISCAL IMPACT - Small Business

This proposal could have a positive fiscal impact on small business pharmacies.

FISCAL DESCRIPTION

This bill allows a pharmacist to prescribe and dispense tobacco cessation products. The Board of Pharmacy shall adopt regulations governing a pharmacist's authority to prescribe and dispense tobacco cessation products.

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 Health and Senior Services

Department of Insurance, Financial Institutions and Professional Registration

Department of Public Safety -

Missouri State Highway Patrol

Department of Social Services -

MO HealthNet Division

Missouri Consolidated Health Care Plan

Missouri Department of Conservation

Missouri Department of Transportation



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