

ADMINISTRATIVE RULES – FISCAL ESTIMATE

DHFS

Original Updated Corrected Supplemental
 Administrative Rule Number

HFS 148

Subject

CANCER DRUG and CHRONIC DISEASES REPOSITORY PROGRAM

Fiscal Effect

State:

- No State Fiscal Effect
 Indeterminate
- | | | |
|--|---|---|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues | <input type="checkbox"/> Increase Costs – May be possible to absorb within agency's budget. |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| <input type="checkbox"/> Create New Appropriation | | <input type="checkbox"/> Decrease Costs |

Local:

- No Local Government Costs
 Indeterminate
- | | | |
|--|--|--|
| 1. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 3. <input type="checkbox"/> Increase Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 5. Types of Local Government Units Affected:
<input type="checkbox"/> Towns <input type="checkbox"/> Villages <input type="checkbox"/> Cities
<input type="checkbox"/> Counties <input type="checkbox"/> Others: |
| 2. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | 4. <input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory | <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts |

Fund Sources Affected

Affected Chapter 20 Appropriations

- GPR FED PRO PRS SEG SEG-S

Private:

- No Anticipated Significant Fiscal Effect on the Private Sector
 Anticipated Significant Fiscal Effect on the Private Sector

Industry Sector Affected

- | | |
|---|---|
| <input checked="" type="checkbox"/> Health Care and Social Assistance (Sector 62) | <input type="checkbox"/> Administrative and Support and Waste Management and Remediation Services (Sector 56) |
| <input checked="" type="checkbox"/> Retail Trade (Sector 44 – 45) | <input type="checkbox"/> Other Services (Sector 81) |
| <input type="checkbox"/> Arts, Entertainment and Recreation (Sector 71) | <input type="checkbox"/> Other Specify Sector |
| <input type="checkbox"/> Accommodation and Food Services (Sector 72) | |

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SIGNATURE – DHFS Secretary or Designee	Date
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Assumptions Used in Arriving at Fiscal Estimate

Based on a pharmacy study commissioned by the Department in 2002, it is estimated that prescription dispensing fees currently range from between \$9.30 to \$11.56 per prescription. The current Medicaid dispensing fee is \$4.38. Pharmacies dispensing donated drugs will be permitted to charge a maximum fee equal to 300% of the Medicaid dispensing fee (\$13.14, based on the current Medicaid fee) to recipients of the drugs.

Given this option, it appears that pharmacies that elect to participate in the program will be able to cover the direct costs of administering the program. Since the program is voluntary, pharmacies with higher dispensing fees or an unmanageable number of transactions can elect to opt out of the program. These rules should not have a negative effect on small businesses.

Long-Range Fiscal Implications

None anticipated given that this is a voluntary program and that pharmacies are allowed to charge a fee to cover direct costs of the program.
