

# FISCAL NOTE

## HB 159 - SB 191

February 25, 2005

**SUMMARY OF BILL:** Prohibits drug manufacturers, wholesale drug distributors, or any subsidiary controlled by such manufacturer or distributor from entering into an agreement to sell any prescription drug in this state that provides for selling prescription drugs at a higher price than the seller offers for such drug in any other state.

### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures – Not Significant**  
**Increase State Revenues – Not Significant**

Assumptions:

- The Board of Pharmacy may receive complaints against a manufacturer licensee alleging that the licensee has violated the provisions of this bill resulting in a not significant increase in expenditures.
- It is unknown if this requirement would cause a change in the amount of discount the Department of Health has been receiving for the purchase of drugs or whether the companies would refuse to renew their contracts with the state at their expiration.
- The bill may impact expenditures by health insurance plans for prescription drugs which now represent close to 30% of the benefits provided to plan participants.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director