Fiscal Note State of Alaska Bill Version: HB 324 2014 Legislative Session Fiscal Note Number: () Publish Date: Identifier: HB324-DOA-HPA-02-28-14 Department: Department of Administration Title: CONTROLLED SUBST. PRESCRIPTION Appropriation: Centralized Administrative Services Health Plans Administration DATABASE Allocation: Sponsor: **KELLER** OMB Component Number: 2152 Requester: House Health & Social Services Committee Expenditures/Revenues Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars) Included in FY2015 Governor's **Out-Year Cost Estimates** Appropriation FY2015 Requested Request **OPERATING EXPENDITURES** FY 2015 FY 2015 FY 2016 FY 2017 **FY 2018** FY 2019 **FY 2020 Personal Services** Travel Services Commodities Capital Outlay **Grants & Benefits** Miscellaneous **Total Operating** 0.0 **Fund Source (Operating Only)** None Total 0.0 **Positions** Full-time Part-time **Temporary** Change in Revenues Estimated SUPPLEMENTAL (FY2014) cost: (separate supplemental appropriation required) 0.0 (discuss reasons and fund source(s) in analysis section) Estimated CAPITAL (FY2015) cost: (separate capital appropriation required) (discuss reasons and fund source(s) in analysis section) **ASSOCIATED REGULATIONS** Does the bill direct, or will the bill result in, regulation changes adopted by your agency? no If yes, by what date are the regulations to be adopted, amended or repealed? Why this fiscal note differs from previous version: Not applicable, initial version.

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## FISCAL NOTE ANALYSIS

## STATE OF ALASKA 2014 LEGISLATIVE SESSION

BILL NO. HB 324

## **Analysis**

House Bill 324 would establish a controlled substance prescription database that would be managed by the Alaska Board of Pharmacy. The database would contain data for every prescription for a schedule IA, IIA, IIIA, IVA, or VA substance under state law (reference AS.11.71.140-11.71.180) or a Schedule I, II, III, IV or V controlled substance under federal law dispensed in the state other than those administered to a patient at a health care facility.
According to sections two and seven of the bill, funding for the database would come both from sources sought by the Alaska Board of Pharmacy other than the state and from additional fees charged to pharmacists or providers for dispensing controlled substances. Fees charged to pharmacists would be to "cover the applicable direct costs relating to the board's responsibilities in maintaining and operating the controlled substance prescription database."
The Department of Administration, in its role as the health plans administrator for AlaskaCare, would likely see increased costs as a result of this legislation. Pharmacists would likely pass on any increased costs resulting from the fees created in section seven of the bill to insurance providers in the form of higher fees. Because the fee schedule will not be determined until the Alaska Board of Pharmacy is able to adopt the regulations necessary to set fees, the Department of Administration is unable to estimate the possible increased costs that AlaskaCare would face as a result of this legislation.

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