

Fiscal Note

State of Alaska
2016 Legislative Session

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| Bill Version: | CSSB 175(L&C) |
| Fiscal Note Number: | 1 |
| (S) Publish Date: | 4/6/2016 |

Identifier: SB175-DCCED-DOI-03-24-16
 Title: PHARMACY BENEFITS MANAGERS
 Sponsor: GIESSEL BY REQUEST
 Requester: (S) Labor and Commerce

Department: Department of Commerce, Community and
 Economic Development
 Appropriation: Insurance Operations
 Allocation: Insurance Operations
 OMB Component Number: 354

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

| | FY2017 | Included in | Out-Year Cost Estimates | | | | |
|-------------------------------|-------------------------|---------------------------|-------------------------|----------------|----------------|----------------|----------------|
| | Appropriation Requested | Governor's FY2017 Request | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
| OPERATING EXPENDITURES | FY 2017 | FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 |
| Personal Services | | | | | | | |
| Travel | | | | | | | |
| Services | | | | | | | |
| Commodities | | | | | | | |
| Capital Outlay | | | | | | | |
| Grants & Benefits | | | | | | | |
| Miscellaneous | | | | | | | |
| Total Operating | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Fund Source (Operating Only)

| | | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|------------|
| None | | | | | | | |
| Total | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Positions

| | | | | | | | |
|-----------|--|--|--|--|--|--|--|
| Full-time | | | | | | | |
| Part-time | | | | | | | |
| Temporary | | | | | | | |

Change in Revenues

| | | | | | | | |
|--|--|--|--|--|--|--|--|
| | | | | | | | |
|--|--|--|--|--|--|--|--|

Estimated SUPPLEMENTAL (FY2016) cost: 0.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 *(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? Yes
 If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/17

Why this fiscal note differs from previous version:

Not applicable, initial version.

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| Prepared By: | Lori Wing-Heier, Director | Phone: | (907)465-2560 |
| Division: | Division of Insurance | Date: | 03/07/2016 12:00 AM |
| Approved By: | Catherine Reardon, Director | Date: | 03/25/16 |
| Agency: | Division of Administrative Services, DCCED | | |

FISCAL NOTE ANALYSIS**STATE OF ALASKA
2016 LEGISLATIVE SESSION****Analysis**

SB175 establishes procedures for the auditing of Pharmacy Benefits Managers. The bill also creates procedural requirements, and requires creation of a "pricing list" that can be used to calculate reimbursement to pharmacies. The Division of Insurance believes that the additional work associated with SB175 can be performed by existing staff, and that regulation changes can be included with planned package updates.