

Department of Planning and Budget 2013 Fiscal Impact Statement

1. Bill Number: HB2030

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Peace

3. Committee: Commerce and Labor

4. Title: Require the Virginia Department of Health to develop guidelines regarding patient assistance programs for specialty drug needs

5. Summary: This bill requires the Virginia Department of Health, in consultation with the Bureau of Insurance of the State Corporation Commission, to develop guidelines based on recommendations from representatives of interested entities and such other persons as the Department deems appropriate who shall develop, and provide to the Department, recommendations regarding (i) the availability and establishment of patient assistance programs for specialty drug needs in the Commonwealth; (ii) current resources available for such patient assistance programs and the level of resources needed to maximize existing programs; (iii) the implications of limiting the authority of health insurers to move a drug to a higher cost-sharing tier or otherwise modify prescription drug coverage without notifying the insureds and requiring that modifications be effective on a uniform basis; and (iv) opportunities to establish a specialty-tier safety net based on a collaborative public private partnership including but not limited to the Commonwealth and its pharmaceutical, and insurance, pharmacy benefit manager, specialty pharmacy, and patient advocacy partners.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See item #8.

8. Fiscal Implications: The fiscal impact of this legislation is expected to be minimal. The legislation will require the Virginia Department of Health (VDH) to convene a 10 member work group, which will meet six times over a six month period for 16 hours per week. The agency's expenditure impact will be a one-time cost of \$21,590 in FY 2014, which includes personnel expenses, travel, supplies, and other related charges. VDH's estimates also include staff time needed to coordinate the work group and produce the required report. The agency will absorb the costs associated with this legislation.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Health and State Corporation Commission's Bureau of Insurance

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is similar to SB 945-S1.

Date: 2/1/2013

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c: Secretary of Health and Human Resources