

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB 1456

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

2. Patron: Samirah

3. Committee: Health, Welfare and Institutions

4. Title: Medical assistance services; manager care organization contracts with pharmacy providers

5. Summary: The proposed legislation requires that any agreements made on or after January 1, 2021 between managed care organizations (MCO) and an intermediary include a provision prohibiting the intermediary from recouping direct and indirect remuneration fees with respect to a prescription.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates Is Indeterminate

8. Fiscal Implications: The Department of Medical Assistance Services (DMAS) maintains that the proposed legislation may result in a loss of revenue for Pharmacy Benefit Managers (PBMs), which are used by some Medicaid MCOs to manage pharmacy benefits. As DMAS cannot determine how the PBMs and MCOs would react to the bill's provisions, a fiscal impact to the Commonwealth cannot be determined.

9. Specific Agency or Political Subdivisions Affected:
Department of Medical Assistance Services

10. Technical Amendment Necessary: No

11. Other Comments: None