

## Department of Planning and Budget

### 2011 Fiscal Impact Statement

**1. Bill Number:** HB2013

**House of Origin**    ☒ Introduced        ☐ Substitute        ☐ Engrossed

**Second House**        ☐ In Committee    ☐ Substitute        ☐ Enrolled

**2. Patron:** Pogge

**3. Committee:** Health, Welfare and Institutions

**4. Title:** Community Services Boards; drug formulary

**5. Summary:** This bill requires the Commissioner of Behavioral Health and Developmental Services to establish a workgroup, composed of community services board directors, state facility administrators, and other health professionals, to develop a drug formulary for use at all community services boards. Adherence to such formulary shall be included in the performance contracts required pursuant to 37.2-508.

**6. Fiscal Impact Estimates:** Preliminary

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2011	-0-	0.00	n/a
2012	\$248,784	3.00	GF
2013	\$248,784	3.00	GF
2014	\$248,784	3.00	GF
2015	\$248,784	3.00	GF
2016	\$248,784	3.00	GF

**7. Budget Amendment Necessary:** Yes; Item 304; program 499-01

**8. Fiscal Implications:** It is anticipated that the Department of Behavioral Health and Developmental Services' Pharmacy, Therapeutics and Formulary (PT&F) Committee would be tasked with developing the drug formulary required by this bill. This would be accomplished within existing PT & F Committee resources. However, additional staff would be needed for monitoring and oversight of CSBs adherence to this drug formulary. The two FTEs at central office responsible for performance contracting will need additional administrative support if a drug formulary is added to the contracts. It is estimated that three staff in total, projected at a cost of \$248,784, would be needed for pharmaceutical, clinical and administrative functions related to this bill's requirements, including record review for compliance. It is possible the CSBs would need additional resources to comply with these requirements, but no estimate is available.

Pharmacist II	\$	82,000
Nurse Manager I	\$	60,000
Admin Office Specialist III	\$	<u>25,000</u>
subtotal	\$	167,000
Fringe	\$	71,784
Support costs	\$	<u>10,000</u>
<b>Total</b>	<b>\$</b>	<b>248,784</b>

**9. Specific Agency or Political Subdivisions Affected:** Department of Behavioral Health and Developmental Services; Community Services Boards

**Date:** 01/31/2011

**Document:** G:\FY2011\FIS\DBHDS Finished\HB 2013.Doc

cc: Secretary of Health and Human Resources