

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: SB 186

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Subramanyam

3. Committee: Finance and Appropriations

4. Title: Wholesale prescription drug importation program; Sec. of Health and Human Resources to establish

5. Summary: The substitute bill requires the Secretary of Health and Human Resources to convene a work group composed of relevant stakeholders, including representatives from pharmaceutical manufacturers, health plans, and Virginia pharmacists, to evaluate the feasibility of establishing a wholesale prescription drug importation program in the Commonwealth. The work group must take into consideration the cost and safety of such a program. The Secretary must provide a report on the feasibility of such a plan, including recommendations for any statutory, regulatory, budgetary, or policy changes necessary for implementation of a wholesale prescription drug importation plan in the Commonwealth, to the Governor, the Chairmen of the House Committees on Appropriations and Health and Human Services, and the Senate Committees on Finance and Appropriations and Education and Health by November 1, 2024.

6. Budget Amendment Necessary: Yes, Item 267.

7. Fiscal Impact Estimates: Preliminary, See Item 8.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2024	-	-
2025	\$350,000	General
2026	-	-
2027	-	-
2028	-	-
2029	-	-
2030	-	-

8. Fiscal Implications: This bill would require the Secretary of Health and Human Resources to provide a feasibility plan that includes recommendations for any statutory, regulatory, budgetary, or policy changes necessary for implementation of a wholesale prescription drug importation plan in the Commonwealth by November 1, 2024. While it is assumed that OSHHR would have sufficient resources to convene the required workgroup, there is not sufficient in-house expertise to provide the required recommendations within the timeframe established in the bill. As such, it is assumed that OSHHR would need to hire contractors to

assist with developing the required plan. Based on previous engagements procuring a similar level of expertise, it is assumed OSHHR would require \$350,000 general fund in FY 2025.

9. Specific Agency or Political Subdivisions Affected:

Secretary of Health and Human Resources

10. Technical Amendment Necessary: No

11. Other Comments: None