



131st MAINE LEGISLATURE

LD 1165

LR 729(02)

An Act to Enhance Cost Savings to Consumers of Prescription Drugs

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Health Coverage, Insurance and Financial Services

Fiscal Note Required: Yes

Fiscal Note

| | FY 2023-24 | FY 2024-25 | Projections FY 2025-26 | Projections FY 2026-27 |
|-----------------------------------|------------|------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$0 | \$902,971 | \$902,971 | \$902,971 |
| Highway Fund | \$0 | \$333,256 | \$333,256 | \$333,256 |
| Appropriations/Allocations | | | | |
| General Fund | \$0 | \$902,971 | \$902,971 | \$902,971 |
| Highway Fund | \$0 | \$333,256 | \$333,256 | \$333,256 |

Fiscal Detail and Notes

This bill impacts the State Employee Health Plan by requiring that compensation remitted by or on behalf of a pharmaceutical manufacturer, developer or labeler to a pharmacy benefits manager be remitted first to the covered person at the point-of-sale up to the amount of any cost sharing associated with a prescription drug and then any remaining amount must be remitted to and retained by a carrier to offset health insurance premium costs. It is expected that this change will take effect on or after July 1, 2024. The total cost to the plan is estimated to be \$2,000,000 in fiscal year 2024-25. The bill includes General Fund appropriations of \$902,971 in fiscal year 2024-25 and Highway Fund allocations of \$333,256 in fiscal year 2024-25 for state departments and agencies that pay premiums to the State Employee Health Plan to cover the increased costs for those two funds. The remaining costs of \$763,773 in fiscal year 2024-25 will be distributed across multiple funds across state government.

Any additional costs to the Department of Professional and Financial Regulation associated with the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources. The collection of additional fines may increase other dedicated revenue by minor amounts.