

LOCAL GOVERNMENT  
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 1, 2017

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses  
**S.B. 404 / BDR 57 - 467**

City/County: <b>Carson City</b> Approved by: Nancy Paulson, CFO Comment: There will likely be an increase in insurance premiums, which would have a negative impact on the City, though that increase is impossible to estimate				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: <b>Churchill County</b> Approved by: Eleanor Lockwood, County Manager Comment: This Bill would require insurance companies (when a patient has stage 4 cancer) to allow the use of a drug for cancer treatment without requiring that the patient first show that an alternative drug failed to work. It is difficult to determine the fiscal impact, however, with the high cost of the chemotherapy prescriptions we estimate the impact on insurance premiums might be as high as 2% , or \$34,000 per year.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: <b>Clark County</b> Approved by: David Dobrzynski, Asst Director of Finance Comment: This bill would require insurers to cover a drug approved by the United States Food and Drug Administration for the treatment of metastatic cancer without first requiring the insured to fail to respond to a different drug. Insurers also would not be allowed to require prior authorization for these drugs. There is no anticipated fiscal impact to Clark County.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: <b>Esmeralda County</b> Approved by: Karen Scott, Auditor/Recorder Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: <b>Humboldt County</b> Approved by: Gina Rackley, Comptroller Comment: No Impact				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

City/County: <b>Washoe County</b> Approved by: Jamie Rodriguez, Management Analyst Comment: This Bill would have an impact as currently we utilize a prior authorization or step therapy process for several cancer drugs. During these processes, the Pharmacy Benefit Administrator (WellDyneRx) has a pharmacy and clinical team that communicates with the physician to determine the appropriate treatment for the patient. This Bill would remove that process, which has the potential to be very costly. Removing the prior authorization or step therapy process for prescription drugs for any medical condition can be costly. In a situation where a member has metastatic, advanced, or stage 4 cancer, it can be assumed that the member will be undergoing treatment to the extent their maximum out-of-pocket has been reached and the plan is then responsible for 100% of all medical and pharmacy costs. Removing the ability for the plan to control these pharmacy costs may have a significant fiscal impact.				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: <b>City of Henderson</b> Approved by: Mike Cathcart, Business Operations Manager Comment: No significant fiscal impact to the City of Henderson.				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

City/County: <b>City of Las Vegas</b> Approved by: Michelle Thackston, Administrative Assistant Comment: No Impact				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

City/County: **City of Reno**

Approved by: Tillery Williams , Management Analyst

Comment: Fiscal impact cannot be determined at this time.

There could be a substantial fiscal impact to the City of Reno. If there are no longer requirements for Step Therapy or Prior Authorization for cancer medications, it could significantly increase cost for our Self-Insured Group Health Insurance Plan. The bill appears to require that little empirical evidence is needed to warrant the use of a drug that may be new, prohibitively expensive, and therapeutically ineffective.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: No Impact

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: No Impact

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: **Clark County School District**

Approved by: Dillon Kay, Assistant Budget Director

Comment: It is difficult to gauge the overall usage and the financial impact of this program at this time.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Douglas County School District**

Approved by: KLewis, Director of Human Resources

Comment: No Impact

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: <b>Lincoln County School District</b> Approved by: Pam Teel, Superintendent Comment: Unclear on impact				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: <b>Pershing County School District</b> Approved by: Russell D. Fecht, Superintendent Comment: No Impact				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: <b>Nye County School District</b> Approved by: Kelly Wood, Executive Secretary Comment: No fiscal impact for Nye County School District.				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: <b>Washoe County School District</b> Approved by: Lindsay E. Anderson, Director of Government Affairs Comment: No Impact				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: <b>White Pine School District</b> Approved by: Paul Johnson, CFO Comment: This could have significant impacts to health insurance costs and premiums. Unfortunately the impact can not be determined at this time.				
<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

**The following cities/counties/school districts did not provide a response:** Douglas County, Elko County, Eureka County, Lander County, Lincoln County, Lyon County, Mineral County, Nye County, Pershing County, Storey County, White Pine County, Boulder City, City of Elko, City of Mesquite, City of North Las Vegas, Churchill County School District, Elko County School

District, Esmeralda County School District, Eureka County School District, Humboldt County School District, Lander County School District, Lyon County School District, Mineral County School District, and Storey County School District.