

**EXECUTIVE AGENCY
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 15, 2017

Agency Submitting: Department of Health and Human Services, Health Care Financing and Policy

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Effect on Future Biennia
BA 3243 Medical providers (Expense)		\$2,561,653	\$2,623,645	\$5,185,299
Total	0	\$2,561,653	\$2,623,645	\$5,185,299

Explanation

(Use Additional Sheets of Attachments, if required)

This bill requires all health insurance plans including Nevada Medicaid to provide certain benefits relating to contraceptive drugs and devices or hormone replacement therapy at no additional cost to the insured. The impact of prohibiting the Drug Use Review Board (as required in the Social Security Act) from applying safety and precautionary measures to the Medicaid drug list will risk the Division losing drug rebates. The magnitude of the loss in rebates is being researched with CMS but if it is determined to apply only to contraceptive rebates it would be of \$2,561,653 in fiscal year 2017-18, \$2,623,645 in fiscal year 2018-19, for a total cost of \$ 5,185,299 for the 2017-2019 biennium. If the loss in rebates is determined by CMS to be for the entire Medicaid program, that would be \$526,173,352 over the entire biennium.

Name Karen Salm

Title ASO IV

GOVERNOR'S OFFICE OF FINANCE COMMENTS

Date Tuesday, March 07, 2017

The agency's response appears reasonable.

Name Nikki Hovden

Title Exec. Branch Budget Officer

Contraceptive Drug Rebates				Caseload Increase 3.78%			Caseload Increase 3.26%			Caseload Increase 2.42%		
	SFY 16			SFY 17			SFY 18			SFY 19		
	\$1,386,444.84	\$1,003,977.30	\$2,390,422.14	\$1,438,852.46	\$1,041,927.64	\$2,480,780.10	\$1,485,759.05	\$1,075,894.48	\$2,561,653.53	\$1,521,714.42	\$1,101,931.13	\$2,623,645.54

FMAP		STATE - TOTAL		FEDERAL - TOTAL		GRAND TOTAL	
	2018	34.52%	\$884,282.80	65.48%	\$1,677,370.73	\$2,561,653.53	\$ -
	2019	34.44%	\$903,583.53	65.56%	\$1,720,062.02	\$2,623,645.54	\$ -
	Total Biennium		\$1,787,866.32		\$3,397,432.75	\$5,185,299.07	