

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Representative Tawna Sanchez, House Co-Chair

Senator Fred Girod, Senate Co-Vice Chair
Representative David Gomberg, House Co-Vice Chair
Representative Greg Smith, House Co-Vice Chair

Amanda Beitel, Legislative Fiscal Officer
Tom MacDonald, Deputy Legislative Fiscal Officer (Budget)
Paul Siebert, Deputy Legislative Fiscal Officer (Audit/IT)

To: Capital Construction Subcommittee

From: Paul Siebert, Legislative Fiscal Office

Date: March 1, 2024

Subject: HB 4149 – Relating to pharmacy benefits.
Work Session Recommendations

HB 4149 expands the definition of “pharmacy benefit manager” and requires them to obtain an annual license from Department of Consumer and Business Services (DCBS), which replaces the current registration requirement. The measure directs pharmacy benefit managers (PBM) to submit their contracts and amendments to contracts, as well as their provider manuals, to DCBS upon request. HB 4149 allows a pharmacy to file a complaint with DCBS to contest a finding of a PBM in response to an appeal related to reimbursement for a drug, or other PBM failure to comply with certain requirements contained in the measure.

The fiscal impact of the measure on DCBS is anticipated to be \$697,364 Other Funds in the 2023-25 biennium, which is included in the -A8 amendment. Included in these costs is funding to support six new permanent, full-time positions needed to manage the new licensing program, conduct additional compliance work and complete enforcement work.

Recommended Changes

LFO recommends adoption of the –A8 amendment.

MOTION: I move adoption of the –A8 amendment to HB 4149. (VOTE)

Final Subcommittee Action

LFO recommends that HB 4149, as amended by the –A8 amendment, be moved to the Ways and Means Full Committee.

MOTION: I move HB 4149, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____