

Fiscal Estimate - 2021 Session

Original Updated Corrected Supplemental

LRB Number 21-4350/1		Introduction Number SB-539		
Description prescription drug importation program				
Fiscal Effect				
State:				
<input type="checkbox"/> No State Fiscal Effect				
<input checked="" type="checkbox"/> Indeterminate				
<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget		
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No		
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs		
Local:				
<input type="checkbox"/> No Local Government Costs				
<input type="checkbox"/> Indeterminate				
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory			
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue			
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory			
		<input type="checkbox"/> Towns	<input type="checkbox"/> Village	<input type="checkbox"/> Cities
		<input type="checkbox"/> Counties	<input type="checkbox"/> Others	
		<input type="checkbox"/> School Districts	<input type="checkbox"/> WTCS Districts	
Fund Sources Affected		Affected Ch. 20 Appropriations		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS				
Agency/Prepared By		Authorized Signature	Date	
OCI/ Jeff Grothman (608) 264-6239		Sarah Smith (608) 267-9460	9/20/2021	

Fiscal Estimate Narratives

OCI 9/20/2021

LRB Number	21-4350/1	Introduction Number	SB-539	Estimate Type	Original
Description prescription drug importation program					

Assumptions Used in Arriving at Fiscal Estimate

Senate Bill 539 directs the Office of the Commissioner of Insurance (OCI) in consultation with persons interested in the sale and pricing of prescription drugs and federal officials and agencies, to design and implement a prescription drug importation program for the benefit of and that generates savings for Wisconsin residents.

Senate Bill 539 requires that the Commissioner of Insurance must:

- Designate a state agency to become or contract with a licensed wholesale distributor and seek federal certification and approval to import prescription drugs;
- The importation program must comply with certain federal regulations and import from Canadian suppliers only prescription drugs that are not brand-name drugs, have fewer than four competitor drugs in this country, and for which importation creates substantial savings;
- The Commissioner of Insurance must ensure that prescription drugs imported under the program are not distributed, dispensed, or sold outside of Wisconsin; and
- The importation program must have an audit procedure to ensure the program complies with certain requirements specified in the bill.

Before submitting the proposed implementation program to the federal government for certification, the Commissioner of Insurance must submit the proposed importation program to the Joint Committee on Finance for its approval.

At this time, OCI cannot determine the fiscal effect this legislation will have on staff time and agency resources.

Long-Range Fiscal Implications

None.