

### Fiscal Estimate - 2021 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> <b>21-4343/1</b>	<b>Introduction Number</b> <b>SB-550</b>				
<b>Description</b> diabetes medication pilot project and granting rule-making authority					
<b>Fiscal Effect</b>					
<b>State:</b> <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 <span style="margin-left: 100px;"><input type="checkbox"/> Yes      <input type="checkbox"/> No</span> <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs					
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate					
<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;">                 1. <input type="checkbox"/> Increase Costs                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                  2. <input type="checkbox"/> Decrease Costs                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </td> <td style="width: 33%; vertical-align: top;">                 3. <input type="checkbox"/> Increase Revenue                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory                  4. <input type="checkbox"/> Decrease Revenue                     <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory             </td> <td style="width: 33%; vertical-align: top;">                 5. Types of Local Government Units Affected  <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             </td> </tr> </table>		1. <input type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <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	
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<table style="width: 100%; border: none;"> <tr> <td style="width: 60%;"><b>Fund Sources Affected</b></td> <td style="width: 40%;"><b>Affected Ch. 20 Appropriations</b></td> </tr> <tr> <td> <input type="checkbox"/> GPR    <input type="checkbox"/> FED    <input type="checkbox"/> PRO    <input type="checkbox"/> PRS    <input type="checkbox"/> SEG    <input type="checkbox"/> SEGS                 </td> <td></td> </tr> </table>		<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>	<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	
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<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS					
<b>Agency/Prepared By</b> OCI/ Jeff Grothman (608) 264-6239	<b>Authorized Signature</b> Sarah Smith (608) 267-9460	<b>Date</b> 9/20/2021			

**Fiscal Estimate Narratives**

**OCI 9/20/2021**

LRB Number <b>21-4343/1</b>	Introduction Number <b>SB-550</b>	Estimate Type <b>Original</b>
<b>Description</b> diabetes medication pilot project and granting rule-making authority		

**Assumptions Used in Arriving at Fiscal Estimate**

Senate Bill 550 directs the Office of the Commissioner of Insurance (OCI) to develop a pilot project under which a pharmacy benefit manager and pharmaceutical manufacturer are directed to create a value-based, sole-source arrangement to reduce the costs of prescription diabetes medication. The bill allows OCI to promulgate rules to implement the pilot project.

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

**Long-Range Fiscal Implications**

None.