LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS FISCAL IMPACT STATEMENT

LS 6292 NOTE PREPARED: Feb 4, 2025 BILL NUMBER: SB 118 BILL AMENDED: Jan 29, 2025

SUBJECT: 340B Drug Program Report.

FIRST AUTHOR: Sen. Charbonneau BILL STATUS: As Passed Senate

FIRST SPONSOR: Rep. Barrett

FUNDS AFFECTED: GENERAL IMPACT: State and Local

X DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill requires an entity authorized to participate in the federal 340B Drug Pricing Program to annually report specified data to the Indiana Department of Health (IDOH). It also requires the IDOH to submit a report of the aggregated data to the Legislative Council and post the report on the IDOH's website.

Effective Date: July 1, 2025.

Explanation of State Expenditures: The requirements of the bill represent an increase in workload for the Indiana Department of Health (IDOH). Total impact on workload will depend on the extent to which the IDOH is able to utilize existing resources and tools, such as the State Health Gateway, and ensure complete reporting of data from all required entities. [IDOH's administrative expenses are paid from the Tobacco Master Settlement Fund, a dedicated fund.]

The workload for the Department of Insurance will have minimal increase to receive additional prescription drug price information into the All Payer Claims Database. The overall impact will depend on the data capacity needed for the number of records provided by health payers, pharmacies, nonprofit hospital pharmacies, and 340B covered entities. [The DOI is funded through a dedicated agency fund.]

Explanation of State Revenues:

<u>Explanation of Local Expenditures:</u> The bill will increase workload for 340B covered entities that are locally owned to make reports to IDOH and the All Payer Claims Database.

Explanation of Local Revenues:

State Agencies Affected: Indiana Department of Health; Department of Insurance.

Local Agencies Affected: 340B covered locally owned entities.

SB 118 1

Information Sources:

Fiscal Analyst: Karen Rossen, 317-234-2106.

SB 118 2