

## HF348 - 2A - Chronic Disease Co-Payments for Prescription Drugs

Chief Author: **Michael Howard**  
 Committee: **Health Finance And Policy**  
 Date Completed: **2/28/2023 12:51:58 PM**  
 Lead Agency: **Commerce Dept**  
 Other Agencies:  
     Health Dept                      Human Services Dept  
     Minn Management and Budget      MNsure

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Dollars in Thousands					
<b>Minn Management and Budget</b>					
General Fund	-	46	96	101	106
State Employees Insurance	-	-	-	-	-
All Other Funds	-	95	200	210	220
<b>State Total</b>					
General Fund	-	46	96	101	106
State Employees Insurance	-	-	-	-	-
All Other Funds	-	95	200	210	220
<b>Total</b>	<b>-</b>	<b>141</b>	<b>296</b>	<b>311</b>	<b>326</b>
<b>Biennial Total</b>			<b>437</b>		<b>637</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Minn Management and Budget					
General Fund	-	-	-	-	-
State Employees Insurance	-	-	-	-	-
All Other Funds	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Lead LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Shannon Zila      **Date:** 2/28/2023 12:51:58 PM  
**Phone:** 651-296-6053      **Email:** shannon.zila@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
<b>Dollars in Thousands</b>		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
<b>Minn Management and Budget</b>						
General Fund	-	46	96	101	106	
State Employees Insurance	-	-	-	-	-	-
All Other Funds	-	95	200	210	220	
<b>Total</b>	<b>-</b>	<b>141</b>	<b>296</b>	<b>311</b>	<b>326</b>	<b>326</b>
<b>Biennial Total</b>			<b>437</b>		<b>637</b>	<b>637</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Minn Management and Budget</b>						
General Fund	-	46	96	101	106	
State Employees Insurance	-	163	341	358	376	
All Other Funds	-	95	200	210	220	
<b>Total</b>	<b>-</b>	<b>304</b>	<b>637</b>	<b>669</b>	<b>702</b>	<b>702</b>
<b>Biennial Total</b>			<b>941</b>		<b>1,371</b>	<b>1,371</b>
<b>2 - Revenues, Transfers In*</b>						
<b>Minn Management and Budget</b>						
General Fund	-	-	-	-	-	-
State Employees Insurance	-	163	341	358	376	
All Other Funds	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>163</b>	<b>341</b>	<b>358</b>	<b>376</b>	<b>376</b>
<b>Biennial Total</b>			<b>504</b>		<b>734</b>	<b>734</b>

## HF348 - 2A - Chronic Disease Co-Payments for Prescription Drugs

Chief Author: **Michael Howard**  
 Committee: **Health Finance And Policy**  
 Date Completed: **2/28/2023 12:51:58 PM**  
 Agency: **Commerce Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-

## LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Shannon Zila **Date:** 2/20/2023 3:44:54 PM  
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### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-

### Bill Description

House File 348-2A adds Minn. Stat. § 62Q.481 and requires enrollee cost-sharing for health plans offered, issued, or renewed on or after January 1, 2024, to be limited to no more than \$25 per one month supply for each drug an enrollee is prescribed to treat a chronic disease. The bill also limits cost-sharing to no more than a total of \$50 per month for medical supplies to treat chronic disease regardless of the number of chronic diseases for which an enrollee is being treated. The bill clarifies that if application of the cost-sharing limits would result in ineligibility for a health savings account or as a catastrophic health plan, then the limits will apply only after the deductible has been met.

HF348-2A defines “Chronic disease” as diabetes, asthma, and allergies requiring the use of epinephrine auto-injectors. The bill defines “Related medical supplies” as syringes, insulin pens, insulin pumps, test strips, glucometers, glucose monitors, epinephrine auto-injectors, asthma inhalers, and other supply items necessary to treat or administer a drug prescribed to treat a chronic disease.

HF348-2A also amends § 256B.0631, subdivision 1 and § 256L.03, subdivision 5 to specify that the medical assistance benefit plan and MinnesotaCare must also comply with the cost-sharing requirements proposed by the bill.

### Assumptions

Commerce assumes the requirements of HF348-2A do not constitute a new benefit mandate as understood under Section 1311(d)(3) of the ACA. New benefit mandates not included as essential health benefits (EHBs) specified under section 1302(b) and added by state law after December 31, 2012 require the State to defray health plan costs associated with providing coverage to enrollees. Section 1311(d)(3) specifies that the state is not required to defray costs of new benefit mandates when unrelated to specific care, treatment, or services.

The requirements under HF348-2A are not related to any specific care, treatment or services not already covered by the benchmark plan and other issuers offering EHBs, and thus do not constitute a new benefit mandate requiring defrayal by the State. The bill merely establishes new cost-sharing requirements for drugs and related medical supplies prescribed to treat a chronic disease.

Commerce assumes that HF348-2A would have no fiscal impact on the agency. Commerce staff reviewing health plan forms and rate filings would be required to add the new statutory provisions of the bill to existing checklists and review them for compliance. The work required by the bill would not substantially add to or deviate from the existing overall role agency staff have in the review of health plan filings.

This analysis is consistent with the Department’s analysis in 1) its 62J.26 evaluation of HF3492 in 2023, 3) its fiscal note on HF2056-1A in 2022, and 3) its fiscal note on HF2056-0 in 2021.

### Expenditure and/or Revenue Formula

N/A

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:**

**Agency Fiscal Note Coordinator Signature:** Amy Trumper

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## HF348 - 2A - Chronic Disease Co-Payments for Prescription Drugs

Chief Author: **Michael Howard**  
 Committee: **Health Finance And Policy**  
 Date Completed: **2/28/2023 12:51:58 PM**  
 Agency: **Health Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-

## LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Shannon Zila    **Date:** 2/22/2023 4:17:53 PM  
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### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

### Bill Description

This bill requires health plans to limit the amount of an enrollee's cost-sharing for prescription drugs to treat a chronic disease to \$25.00 per one-month supply for each prescription regardless of amount or type. It also limits cost-sharing to no more than \$50.00 per month in total for all related medical supplies regardless of the number of chronic diseases. Coverage is not subject to any deductible. However, if application of this section would result in health savings account or catastrophic health plan ineligibility, this section cannot be applied until after the enrollee has met their deductible.

The bill defines chronic disease as diabetes, asthma, and allergies requiring the use of epinephrine auto-injectors and includes a list of related medical supplies.

The effective date is January 1, 2024 and applies health plans offered, issued, or renewed on or after that date.

### Assumptions

The department is responsible for reviewing state-regulated health maintenance organization health plans for compliance with state and federal requirements before they are available to enrollees. The department assumes enforcement of relevant requirements in this bill would fall within the routine reviews of HMO health plan coverage and there would be a de minimis fiscal impact.

Filings for the 2024 plan year are submitted in April 2023 in order to meet statutory requirements for review and approval. Depending upon the exact date of enactment, the bill may affect filings already in process or under review.

### Expenditure and/or Revenue Formula

### Long-Term Fiscal Considerations

### Local Fiscal Impact

### References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Char Kimber

Date: 2/22/2023 4:05:58 PM

**Phone:** 651-201-4685

**Email:** [health.fiscalnotes@state.mn.us](mailto:health.fiscalnotes@state.mn.us)

## HF348 - 2A - Chronic Disease Co-Payments for Prescription Drugs

Chief Author: **Michael Howard**  
 Committee: **Health Finance And Policy**  
 Date Completed: **2/28/2023 12:51:58 PM**  
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-

## LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Steve McDaniel **Date:** 2/28/2023 12:23:50 PM  
**Phone:** 651-284-6437 **Email:** steve.mcdaniel@lbo.mn.gov

### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-

### Bill Description

Section 1 would limit all cost sharing for a one-month supply of prescription drugs to treat a chronic disease to \$25. It would also limit the monthly cost sharing for all medical supplies necessary in the treatment of chronic disease to \$50 per month regardless of the number of chronic diseases an enrollee has. Finally, this section specifies that these cost sharing limits would not be subject to a deductible, except for in instances where this would result in enrollee ineligibility in other federal programs.

Section 2 amends the existing Medicaid cost sharing language listed in Minnesota Statutes 2022, section 256B.0631, subdivision 1 to add a requirement of compliance with the chronic disease cost sharing language listed in Section 1.

Section 3 amends the existing cost sharing language for children under the age of 21 and American Indians listed in Minnesota Statutes 2022, section 256L.03, subdivision 5 to add a requirement of compliance with the chronic disease cost sharing language listed in Section 1.

### Assumptions

The effective date is assumed to be January 1, 2024.

Because current co-pays in Medical Assistance are limited to \$1 for generics and \$3 for brand-name drugs, the Department of Human Services (DHS) assumes no cost for Medical Assistance.

Current MinnesotaCare co-pays are \$7 for generics and \$25 for brand name drugs and comply with the requirements in this bill. However, these cost-sharing amounts are subject to change in order to maintain the federal minimum 94% actuarial value (AV) required under state law for the program. In the event that DHS had to adjust above \$25 to maintain the AV requirement, those costs would have to be shifted to other services within the program in the form of higher cost sharing applied to other services.

### Expenditure and/or Revenue Formula

### Long-Term Fiscal Considerations

**Local Fiscal Impact**

**References/Sources**

**Agency Contact:**

**Agency Fiscal Note Coordinator Signature:** Chris Zempel

**Phone:** 651-247-3698

**Date:** 2/28/2023 11:34:25 AM

**Email:** christopher.zempel@state.mn.us

## HF348 - 2A - Chronic Disease Co-Payments for Prescription Drugs

Chief Author: **Michael Howard**  
 Committee: **Health Finance And Policy**  
 Date Completed: **2/28/2023 12:51:58 PM**  
 Agency: **Minn Management and Budget**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	46	96	101	106
State Employees Insurance	-	-	-	-	-
All Other Funds	-	95	200	210	220
<b>Total</b>	<b>-</b>	<b>141</b>	<b>296</b>	<b>311</b>	<b>326</b>
<b>Biennial Total</b>			<b>437</b>		<b>637</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
State Employees Insurance	-	-	-	-	-
All Other Funds	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Susan Nelson **Date:** 2/10/2023 2:01:45 PM  
**Phone:** 651-296-6054 **Email:** susan.nelson@lbo.mn.gov

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>
<b>Dollars in Thousands</b>		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>
					<b>FY2027</b>
General Fund	-	46	96	101	106
State Employees Insurance	-	-	-	-	-
All Other Funds	-	95	200	210	220
<b>Total</b>	<b>-</b>	<b>141</b>	<b>296</b>	<b>311</b>	<b>326</b>
<b>Biennial Total</b>			<b>437</b>		<b>637</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
General Fund	-	46	96	101	106
State Employees Insurance	-	163	341	358	376
All Other Funds	-	95	200	210	220
<b>Total</b>	<b>-</b>	<b>304</b>	<b>637</b>	<b>669</b>	<b>702</b>
<b>Biennial Total</b>			<b>941</b>		<b>1,371</b>
<b>2 - Revenues, Transfers In*</b>					
General Fund	-	-	-	-	-
State Employees Insurance	-	163	341	358	376
All Other Funds	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>163</b>	<b>341</b>	<b>358</b>	<b>376</b>
<b>Biennial Total</b>			<b>504</b>		<b>734</b>

**Bill Description**

House File 348-2A limits member cost-sharing for prescription drugs and related medical supplies for three chronic conditions. The bill defines chronic conditions as diabetes, asthma, and allergies where the use of epinephrine auto-injectors is needed. Health plans must limit member cost sharing to \$25 per one-month supply per prescription drug and \$50 total per month for related medical supplies to treat chronic conditions. Coverage of these drugs and medical services is not subject to deductible unless the member is in a high deductible plan. Members in a high deductible plan would be responsible for the deductible and then this bill's member cost-sharing limits for prescription drugs and related medical supplies would apply.

**Assumptions**

Minnesota Management and Budget (MMB) administers the State Employee Group Insurance Program (SEGIP) which provides health, dental, life, and other benefits to eligible State employees and their dependents, and quasi-state agencies defined in Minnesota Statute. Health benefits are provided through the self-funded Minnesota Advantage Health Plan (Advantage). SEGIP contracts with three health plan administrators to provide medical benefits and a Pharmacy Benefit Manager (PBM) to provide its prescription drug benefit.

HF348-2A limits what SEGIP can charge in member cost-sharing responsibility for certain prescription drugs and medical supplies, essentially setting a cap of \$25 per one month supply for each prescription drug and \$50 per month for all related medical supplies to treat chronic conditions of diabetes, asthma, or allergies where use of an epinephrine auto-injector is needed. Member cost-sharing in the aforementioned categories currently exceeds those dollar caps in certain circumstances in the Advantage Plan. Thus, MMB expects a fiscal impact in the form of forgone member cost-sharing for medical supplies and prescription drugs for the associated chronic conditions. In other words, the plan will pay for any amount over those caps that would have otherwise been charged to the member.

Under the Advantage Plan, some medical supplies are covered under the pharmacy benefit and others under the medical benefit. This bill would limit cost-sharing for medical supplies to \$50 per month in the pharmacy benefit and \$50 per month

in the medical benefit.

On the medical side, MMB assumes that SEGIP would pay approximately \$0.12 per-member-per-month (PMPM) each year in foregone member cost-sharing that exceeds the cap set by the bill. To estimate this fiscal impact, MMB directed our health plan administrators to review historical SEGIP member claims. They looked at claims with a diagnosis of diabetes, asthma, or allergies and member monthly cost-sharing for related medical supplies between 2019 and 2021. Member cost-sharing over the caps amounted to an estimate of \$0.12PMPM (averaged across plan administrator responses).

On the pharmacy side, MMB assumes that SEGIP would pay approximately \$0.09PMPM for member cost-sharing that exceeds the limits in the bill. To estimate this cost, MMB directed our PBM to review historical SEGIP member claims. The PBM looked at prescription drug and pharmacy medical supply claims related to the associated chronic conditions for plan year 2022. The member cost-sharing that exceeded the caps set by this bill amounted to approximately \$0.09PMPM.

In summary, MMB estimates that the cost to SEGIP of this bill will be \$0.21PMPM (\$0.12 PMPM on the medical side plus \$0.09 PMPM on the pharmacy side). In our calculation of overall fiscal impact, MMB assumes a partial year fiscal impact of \$162,540 for FY2024 because of the bill effective date of January 1, 2024 and a 5% inflation factor beginning in FY2025 and beyond to account for increasing medical supply and drug costs.

#### **Expenditure and/or Revenue Formula**

FY24: \$0.21PMPM \*129,000 members \*.5 year (6 months) = \$162,540

FY25: \$0.21PMPM \*129,000 members\* 12 months \* 1.05 inflation factor = \$341,334

FY26: FY25\*1.05 inflation factor = \$358,401

Fiscal Year Cost Calculation	FY23	FY24	FY25	FY26	FY27
Total Cost to SEGIP of this bill	-	\$162,540	\$341,334	\$358,401	\$376,321

SEGIP's costs are funded by contributions paid by state and quasi-state employers and employees. Our fiscal note assumes that 86.6% of added costs will be paid by state agencies. This figure represents the proportion of employees on active payroll (97.2%), meaning those who receive an employer contribution, multiplied by the average employer contribution rate across all current collective bargaining agreements and compensation plans (88.8%).

Thus, 86.6% of added costs will be paid by state agencies and 13.4% will be paid by state employees and quasi-state agencies.

The table below reflects how these costs are split between the employer and employee. The state employer costs are further split between the General Fund (32.5%) and All Other Funds (67.5%) on the same basis that state agencies pay for employee medical insurance premiums.

Fiscal Year Cost Calculation	FY2023	FY2024	FY2025	FY2026	FY2027
Employee and quasi-state agency share 13.4%	-	\$ 21,780	\$ 45,739	\$ 48,026	\$ 50,427
Employer share 1000 General Fund	-	\$ 45,747	\$ 96,068	\$ 100,872	\$ 105,915
Employer share 9998 All Other Funds	-	\$ 95,013	\$ 199,527	\$ 209,503	\$ 219,978
Total	-	\$ 162,540	\$ 341,334	\$ 358,401	\$ 376,321

#### **Long-Term Fiscal Considerations**

### **Local Fiscal Impact**

MMB expects local units of government may incur increased spending due to the changes proposed in this legislation.

### **References/Sources**

Program Information and claims data from SEGIP, administered by MMB.

**Agency Contact:** Galen Benshoof 651-207-8224

**Agency Fiscal Note Coordinator Signature:** Ronika Rampadarat

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**Date:** 2/10/2023 1:53:32 PM

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## HF348 - 2A - Chronic Disease Co-Payments for Prescription Drugs

Chief Author: **Michael Howard**  
 Committee: **Health Finance And Policy**  
 Date Completed: **2/28/2023 12:51:58 PM**  
 Agency: **MNsure**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.  
 Reductions shown in the parentheses.

State Cost (Savings)		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-
Biennial Total				-		-

Full Time Equivalent Positions (FTE)		Biennium			Biennium	
		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-

## LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Shannon Zila    **Date:** 2/9/2023 12:42:14 PM  
**Phone:** 651-296-6053    **Email:** shannon.zila@lbo.mn.gov

### State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
Total		-	-	-	-	-
Biennial Total				-		-

### Bill Description

The HF 348 2-A amendment sets limits on enrollee cost-sharing under private sector insurance, medical assistance, and MinnesotaCare for prescriptions drugs and related medical supplies prescribed to treat a chronic disease.

Sec. 1 requires a health plan to limit cost-sharing for prescription drugs to treat certain chronic diseases to no more than \$25 per one-month supply for each prescription drug, and to no more than \$50 per month in total of all related medical supplies. These cost-sharing requirements are not subject to any deductible, and are effective for health plans offered, issued, or renewed on or after January 1, 2024.

### Assumptions

This bill would result in no direct fiscal impact to MNSure; however, changes in plan premiums, plan choice, or plan enrollment could have an effect on the amount of revenue MNSure generates through its premium withhold. An actuarial study would need to be conducted to determine the impact caused by the limits on cost-sharing for certain prescription drugs and related medical supplies used to treat chronic diseases as described in the bill.

### Expenditure and/or Revenue Formula

### Long-Term Fiscal Considerations

### Local Fiscal Impact

### References/Sources

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