

## **SB 190,** PRESCRIPTION DRUG IMPORTATION AMENDMENTS, (Hemmert, D)

## **Anticipated Fiscal Impact:**

No fiscal impact on the state health insurance risk pool. Potential for savings.

SB 190 calls for PEHP to collaborate with the Department of Health on a request to the federal government to create a pilot drug importation program to reduce the cost of these products to the state health insurance risk pool without increasing risk to the public's health or safety. The potential fiscal impact of the legislation for the State Health Insurance Risk Pool cannot be calculated based on available information. However, we have experience to show that the retail price of prescription drugs in both Canada and Mexico are approximately 50% of the prices in the United States, and even less for products like insulin.

Based on the cost difference between the US and neighboring countries, importing selected products should significantly reduce costs for the State Health Insurance Risk Pool. Savings to the State would depend on approval of the program, the drugs that are imported, the end cost of each product, and inclusion of discounts obtained from manufacturer or pharmacy benefit manager.

Any costs of submitting the request to the federal government with the Department of Health for a pilot program would be handled within existing budgets.