

PREPARED BY: Nikki Swope  
 DATE PREPARED: January 17, 2023  
 PHONE: 402-471-0042

**LB 142**

Revision: 00

**FISCAL NOTE**  
 LEGISLATIVE FISCAL ANALYST ESTIMATE

<b>ESTIMATE OF FISCAL IMPACT – STATE AGENCIES</b> (See narrative for political subdivision estimates)				
	<b>FY 2023-24</b>		<b>FY 2024-25</b>	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

**Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.**

LB 142 would require that any individual or group health insurance policy or any self-funded employee benefit plan, to the extent not preempted by federal law, and limit the total amount covered individuals are required to pay for prescription insulin drugs at an amount not to exceed one hundred dollars per thirty-day supply, regardless of the amount or type of insulin needed to fulfill the covered individual's prescription. This bill has an effective date of January 1, 2024.

Currently, the State of Nebraska's health care plans provides for a cost share of insulin prescriptions of less than the \$100 maximum amount that is required by the bill. Healthcare plans that are currently under negotiation and those plans effected in future years would need to continue to provide the same limit on the costs for prescription insulin drugs. No fiscal impact.

The University of Nebraska's pharmacy plan currently covers individuals' costs for insulin products at or under one hundred dollars that are on the University plan's formulary drug list. However, certain insulin drugs are not currently covered under the University plan's formulary and may cost over one hundred dollars. If the bill intends to provide coverage for these drugs that are not included in the University's formulary, the University anticipates a minimal fiscal impact of less than \$15,000.

The Department of Insurance anticipates no fiscal impact.

There is no basis to disagree with these estimates.

<b>ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY &amp; POLT. SUB. RESPONSE</b>			
LB: 142	AM:	AGENCY/POLT. SUB: Nebraska Department of Insurance	
REVIEWED BY: Ryan Walton	DATE: 1/18/2023	PHONE: (402) 471-4174	
COMMENTS: The Department of Insurance assessment of no fiscal impact to the agency from LB 142 appears reasonable.			

Please complete ALL (5) blanks in the first three lines.

**2023**

**LB<sup>(1)</sup> 142**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Administrative Services (DAS)  
- Employee Wellness & Benefits

Prepared by: <sup>(3)</sup> Jennifer Norris Date Prepared: <sup>(4)</sup> 1/9/2023 Phone: <sup>(5)</sup> 402-480-9728

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
REVOLVING FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

**Explanation of Estimate:**

LB 142 as introduced would, beginning January 1, 2024, limit the cost of prescription insulin drugs. LB 142 sets a maximum cost of \$100 for a covered individual prescription insulin drug per 30-day supply regardless of the type of insulin needed.

Currently, coverage within the State of Nebraska health plans provides for a cost share less than the \$100 maximum amount proposed within LB 142. As the effective date of the bill as introduced would be in the new plan year that begins July 1, 2023, any costs would need to remain below the maximum.

LB 142, as introduced, would have no fiscal impact to the State of Nebraska health plans.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

**Personal Services:**

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____

Please complete ALL (5) blanks in the first three lines.

2023

**LB <sup>(1)</sup> 0142 Limit the amount an insured pays for prescription insulin drugs**

**FISCAL NOTE**

State Agency OR Political Subdivision Name:<sup>(2)</sup> University of Nebraska System

Prepared by:<sup>(3)</sup> Chris Kabourek Date Prepared:<sup>(4)</sup> 01/12/2023 Phone:<sup>(5)</sup> (402) 472-7102

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	FY 2023 - 24		FY 2024 - 25	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
CASH FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
FEDERAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
OTHER FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL FUNDS	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

**Explanation of Estimate:**

Based on the current University of Nebraska System's Pharmacy Plan, we would cover any insulin products that are on the formulary, which would include providing a price under \$100 a month, as required by the bill. In instances where an insulin drug is not on our formulary, we offer a reasonable alternative.

There is a potential, but minimal (<\$15,000) fiscal impact with the bill. The bill is applicable to all types of insulin products, including those not on the pharmacy plan's preferred formulary. The most recent year of data available shows there was only a small amount of insulin claims that would be impacted and the adjusted costs to the plan would be minimal.

No fiscal impact is requested.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023 - 24 EXPENDITURES</u>	<u>2024 - 25 EXPENDITURES</u>
	<u>23 - 24</u>	<u>24 - 25</u>		
	<u>0</u>	<u>0</u>		
	<u>0</u>	<u>0</u>		
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

Please complete ALL (5) blanks in the first three lines.

**2023**

**LB<sup>(1)</sup> 142**

**FISCAL NOTE**

State Agency OR Political Subdivision Name: <sup>(2)</sup> Department of Insurance

Prepared by: <sup>(3)</sup> Jordan Blades Date Prepared: <sup>(4)</sup> 1/17/2023 Phone: <sup>(5)</sup> 402-471-1432

**ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION**

	<u>FY 2023-24</u>		<u>FY 2024-25</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

LB142 Would limit the amount an insured pays for insulin drugs to \$100 for a 30-day supply

The Department does not anticipate any fiscal impact at this time.

**BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE**

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2023-24</u>	<u>2024-25</u>
	<u>23-24</u>	<u>24-25</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____