

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1328 - SB 1420**

March 1, 2017

**SUMMARY OF BILL:** Enacts the *Prescription Drug Fair Price Act*. Requires the Commissioner of the Department of Health (DOH), in consultation with the Bureau of TennCare (Bureau) and the state Insurance Committee, to examine changes in prices for essential generic drugs in prescription drug programs operated by state government for five fiscal years. Requires the Commissioner to report the findings of the study and any recommendations for legislation or other appropriate action to prevent price gouging for essential generic drugs to the Health Committee of the House of Representatives and the Health and Welfare Committee of the Senate. Requires the Commissioner of the Department of Commerce and Insurance (DCI) to examine issues relating to requiring price transparency in prescription drug pricing, and to report the findings of the study and any recommendations for legislation or other appropriate action to implement price transparency for prescription drugs to the Health Committee of the House of Representatives and the Health and Welfare Committee of the Senate.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- Based on information provided by the DOH, the Commissioner will examine changes in prices utilizing existing resources without an increased appropriation or reduced reversion.
- Based on information provided by the DCI, the Department does not have direct authority over prescription drug manufacturers; however, they will seek to administer the proposed legislation within existing resources without an increased appropriation or reduced reversion.
- Based on information provided by the Bureau, the Bureau can consult within existing resources without an increased appropriation or reduced reversion.

**IMPACT TO COMMERCE:**

**NOT SIGNIFICANT**

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Assumption:

- Requiring reports on changes in prices for essential generic drugs in prescription drug programs operated by state government for five fiscal years and on issues relating to requiring price transparency in prescription drug pricing will have no impact on jobs or commerce in Tennessee.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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