

**Department of Planning and Budget  
2025 General Assembly Session  
State Fiscal Impact Statement**

**PUBLISHED: 1/22/2025 4:24 PM**

**ORIGINAL**

**Bill Number:** HB2023 **Patron:** Anthony  
**Bill Title:** Independent Pharmacy Support Program established; report; sunset.

**Bill Summary:** Directs the Department of Health to establish the Independent Pharmacy Support Program to fund independent pharmacies, as defined by the bill, that operate in rural and medically underserved areas. The bill specifies the requirements for pharmacies to receive funds through the Program and the purposes for which funds can be used. The bill requires the Department to administer the Program and compile and submit an annual report to the Chairs of the House Committee on Health and Human Services and the Senate Committee on Education and Health by November 1 of each year. The provisions of the bill will expire in 2035 unless renewed by an act of the General Assembly.

**Budget Amendment Necessary:** Yes **Items Impacted:** 276

**Fiscal Summary:** The provisions of this legislation would have a fiscal impact on the Virginia Department of Health to establish and administer the Independent Pharmacy Support Program to fund independent pharmacies that operate in rural and medically underserved areas. Administration responsibilities include the review and approval of grant applications, disbursement of funds, and monitoring of compliance with Program requirements. VDH will also have to establish an internal review panel composed of individuals with expertise in rural health care, pharmacy operations, and public health.

**General Fund Expenditure Impact:**

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
		\$293,948	\$293,948	\$293,948	\$293,948	\$293,948
<b>TOTAL</b>		<b>\$293,948</b>	<b>\$293,948</b>	<b>\$293,948</b>	<b>\$293,948</b>	<b>\$293,948</b>

**Fiscal Analysis:** VDH is unable to handle the requirements of the legislation within existing resources and will need additional general fund support. Based on similar programs that offering financial support to meet the needs of populations living in rural and medically underserved areas have generally required a program or team manager (\$41,563 to provide 30% staff time to this effort), two full-time staff members (\$118,513 each or \$237,026 for both), who serve as the first point of contact for fund recipients providing guidance for invoicing and reporting, and an in-house analyst (\$15,359 to provide 10% staff time for this effort) to assist with on-going program evaluation will also be needed. Total costs for all staff is expected to be \$293,948.

At this time, the bill does not include the size of awards to be administered to each independent pharmacy receiving support. Any amounts provided for awards will increase the total fiscal impact of this legislation.

**Other:** None.