

<u>Agency</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>FY2031</u>
DMAS (602)	-	2.00	2.00	2.00	2.00	2.00
Admin						

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

Fiscal Analysis: The bill requires DMAS to establish a compliance unit, responsible for overseeing the accuracy of the data submitted to the agency. In 2025, DMAS established a Compliance Office, which is responsible for managing the enforcement of contract violations and has an established process to issue civil penalties and liquidated damages. It is assumed that this unit would also handle the additional workload associated with the provisions of this bill. DMAS indicates that the unit will need two additional full-time Pharmacy Compliance Auditors, estimated to cost a total of \$437,814 (\$218,907 general fund) in FY 2027 and \$430,474 (\$215,237 general fund) in FY 2028 and each year thereafter. These positions will provide training and guidance to the MCOs and PBMs, analyze data, review and verify audits, impose penalties (including civil penalties), and issue and monitor corrective action plans based on inaccuracies and/or discrepancies. Additionally, the compliance unit would need to establish standardized methodologies for collecting and reporting additional pharmacy data to be shared with the MCOs and PBMs.

According to the agency, DMAS currently requires MCOs to submit standardized reporting on expenditures and cost components. However, pursuant to the bill, reporting would also need to include specific metrics related to drug spending, utilization rates, and prescription volumes as well as information on all transactions related to drug pricing, rebates negotiated by pharmacy benefits managers, and reimbursements.

To the extent that these new requirements alter pharmacy benefits or increase administrative effort for MCOs, fiscal implications may occur. Additionally, the requirement on MCOs to solicit and undergo an independent audit of their data every two years may also impact costs. There is currently insufficient data to determine these potential impacts. As such, any fiscal impact is indeterminate at this time. Note: According to DMAS, MCOs are prohibited from collecting drug rebates from manufacturers.

Other: None