



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2027 Biennium

Bill # SB 483

Title: Generally revise health care laws

Primary Sponsor: Ellie Boldman

Status: As Introduced

☐ Significant Local Gov Impact

☐ Needs to be included in HB 2

☐ Technical Concerns

☐ Included in the Executive Budget

☐ Significant Long-Term Impacts

☐ Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>	<u>FY 2029</u>
	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>	<u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	Unable to Determine	Unable to Determine	Unable to Determine	Unable to Determine
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	Unable to Determine	Unable to Determine	Unable to Determine	Unable to Determine
Federal Special Revenue	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** SB 483 requires certain new requirements for insurers using step therapy protocols and provides definitions and exceptions. SB 483 also provides rulemaking authority and certification and reporting requirements.

Step therapy programs help to determine if an equivalent therapeutic option that is more cost effective can be used by patients. If a patient cannot use a particular medication, either due to an allergic reaction or for some other reason, the company will go through the "steps" to document why a particular drug does not work and then approve another drug in its place. The fiscal impact to the state cannot be determined due to the reasons discussed in the below assumptions.

**FISCAL ANALYSIS****Assumptions:****Department of Administration**

1. This bill does not affect Title 2, which includes the State Health Benefit Plan.

**State Auditor's Office**

2. The State Auditor's Office (SAO) is unable to determine the fiscal impact to the office from SB 483 due to the reasons outlined below.
3. The SAO is not required to review and approve the initial protocol or clinical review criteria. When a proposed change is filed, it is unknown if the SAO will be required to review the entire plan, or just any redline changes to the plan.
4. SB 483 requires any proposed change in protocol or clinical review criteria must be submitted to the SAO for approval before it may be implemented by the insurer or utilization review organization. The SAO lacks the clinical expertise to review and approve such plans. The SAO will contract with a qualified consultant for these services.
5. It is also unknown how many insurers or utilization review organizations will file with the SAO for a change in protocol or clinical review criteria each year.
6. It is unknown the complexity of each filing. Depending on the complexity of the filing, it could take anywhere from one day to three weeks to complete the review and approval.
7. Each insurer or utilization review organization that is subject to SB 483 must certify annually to the SAO that its step therapy protocol meets the requirements of NEW SECTION 2. The time and effort related to collecting and reviewing these certifications will be completed with existing staff.
8. Each insurer or utilization review organization must submit annual reporting to the SAO. The time and effort related to collecting and reviewing this reporting will be completed with existing staff.
9. SB 483 requires the SAO to adopt rules to implement the provisions of the bill. Per the Secretary of State, the agency filing fees outlined in Administrative Rules of Montana, outlined in ARM 1.4.107, are expected to be waived in FY 2026. The cost of Esper, the system used for the management of the ARMs, is included in the Montana State Information Technology Services Division's enterprise rate. The SAO will absorb the cost of administrative rule development with existing staff. There is no additional cost to implement the administrative rules.
10. The requirements of SB 483 could cause an increase in enforcement on the part of the State Auditor's Office. The office will absorb the additional enforcement activities with existing staff.

**NO SPONSOR SIGNATURE**

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*Sponsor's Initials*

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*Date*

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*Budget Director's Initials*

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*Date*