

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5598H.07T
 Bill No.: Truly Agreed To and Finally Passed HCS for SS for SCS for SB 878
 Subject: Drugs and Controlled Substances; Pharmacy
 Type: Original
 Date: June 18, 2026

Bill Summary: This proposal modifies provisions relating to pharmaceutical drugs and devices.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
General Revenue	Could exceed (\$50,000)	\$0 or (Unknown)	\$0 or (Unknown)
Total Estimated Net Effect on General Revenue	Could exceed (\$50,000)	\$0 or (Unknown)	\$0 or (Unknown)

*OSCA potential unknown costs assumed to be less than \$250,000 annually.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
State Road Fund (1320)	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)
Conservation Commission Fund (1609)	(Unknown)	(Unknown)	(Unknown)
Total Estimated Net Effect on Other State Funds	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)	(Unknown, could exceed \$250,000)

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§376.417 - 340B Drugs

Officials from the **Department of Commerce and Insurance (DCI)** state the purpose of the proposed legislation is to define, for the section, the following terms: “340B drug,” “covered entity,” “health carrier,” “pharmacy,” and “pharmacy benefits manager.” The proposed legislation prohibits a health carrier, a pharmacy benefits manager, or an agent or affiliate of such health carrier or pharmacy benefits manager from discriminating against a covered entity.

Statutory examples of discrimination include:

- 1) reimbursing a covered entity for a quantity of a 340B drug in an amount less than it would pay any other similarly situated pharmacy or entity that is not a covered entity for such quantity of such drug on the basis that the covered entity is a covered entity or that the covered entity dispenses 340B drug;
- 2) imposing any terms or conditions on covered entities that differ from such terms or conditions applied to other similarly situated entities or pharmacies that are not covered entities on the basis that the covered entity is a covered entity or that the covered entity dispenses 340B drugs;
- 3) discriminating in reimbursement to a covered entity based on the determination or indication a drug is a 340B drug;
- 4) requiring a covered entity to identify, either directly or through a third party, a 340B drug;
- 5) refusing to cover drugs purchased under the 340B drug pricing program; or
- 6) requiring a covered entity to reverse, resubmit, or clarify a 340B drug-pricing claim after the initial adjudication. The Director of DCI is authorized to impose a fine of up to \$5000 per violation per day for any violation of the section and is authorized to promulgate rules necessary to implement the section.

The department believes the costs of this bill can be absorbed within current appropriations. However, should the cost exceed the anticipated amount, the department would request an increase to FTE and/or appropriations as appropriate through the budget process.

Oversight assumes DCI is provided with core funding to handle a certain amount of activity each year. Oversight assumes DCI could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DCI could request funding through the appropriation process.

Officials from the **Missouri Department of Transportation (MoDOT) - Missouri Highway Patrol (MHP)** state the requirements regarding 340B drugs in this section would directly increase costs on the MoDOT-MSHP medical plan. This would be an unknown impact to the State Road Fund.

Since it is unknown if this proposal will result in a cost to the medical plan that could pass on to members, **Oversight** will range the fiscal impact as \$0 to Unknown, greater than \$250,000 to the State Road Fund (1320). Oversight assumes this proposal could have a fiscal impact on local political subdivisions.

Oversight notes provisions of §376.417.3 imposes a civil penalty on any health carrier, pharmacy benefits manager, or agent or affiliate of such health carrier or pharmacy benefits manager that violates provisions of this subsection. The penalty may not exceed \$5,000 per day. Oversight notes that violations resulting in fines could vary widely from year to year. Civil penalties collected per Article IX, Section 7 of the Missouri Constitution requires fines to be distributed to the school district where the violation occurred; therefore, Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts on the fiscal note.

§376.1280 - Insurance Coverage of Alternatives to Opioid Drugs

Officials from the **Department of Commerce and Insurance (DCI)** assume this proposal specifies that in situations where a health care provider prescribes a nonopioid medication for the treatment of acute pain, a health benefit plan may not deny coverage of the nonopioid drug in favor of an opioid drug; may not require the enrollee to try an opioid before covering the nonopioid drug, or require higher cost-sharing for the nonopioid drug than for the opioid drug.

The department believes the costs of this bill can be absorbed within current appropriations. However, should the cost exceed the anticipated amount, the department would request an increase to FTE and/or appropriations as appropriate through the budget process.

Oversight assumes DCI is provided with core funding to handle a certain amount of activity each year. Oversight assumes DCI could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, DCI could request funding through the appropriation process.

§376.1960 – Home blood pressure monitoring devices

Officials from the **Department of Commerce and Insurance (DCI)** assume the Affordable Care Act (ACA) requires all non-grandfathered individual and small group health plans to cover a core set of health care services within 10 essential health benefit (EHB) categories. In 2012, Missouri, like other states, adopted a benchmark plan that defined the core benefits these plans must offer in the state. The ACA also requires that the cost of a new coverage mandate added by a state after adoption of its benchmark plan that is above and beyond the EHB benchmark will be the responsibility of the state.

45 C.F.R. 155.170 requires states to defray the cost of additional required benefits mandated by a state on or after January 1, 2012. States may require qualified health plans to offer benefits in addition to essential health benefits. States will identify which state-required benefits are in addition to the EHB and must make payments to defray the cost of additional benefits either to enrollees in qualified health plans or directly to the qualified health plans, on behalf of their enrollees.

Documentation provided by the U. S. Department of Health and Human Services, Center for Consumer Information & Insurance Oversight (CCIIO) in October 2018 instructed states as follows:

Although it is the state's responsibility to identify which state required benefits require defrayal, states must make such determinations using the framework finalized at §155.170, which specifies that benefits required by state action taking place on or before December 31, 2011, may be considered EHB, whereas benefits required by state action taking place after December 31, 2011, other than for purposes of compliance with federal requirements, are in addition to EHB and must be defrayed by the state. For example, a law requiring coverage of a benefit passed by a state after December 31, 2011, is still a state-mandated benefit requiring defrayal even if the text of the law says otherwise.

This proposal requires, in pertinent part, that "Health benefit plans delivered, issued for delivery, continued or renewed in this state on or after January 1, 2026, and providing for maternity benefits, shall provide coverage for a home blood pressure monitoring device for pregnant and postpartum women." This provision appears to create a new mandate for which the state must defray payments, as required under federal law. As a result, the state may be required to defray the actuarial cost of new coverage requirements and make payments to either issuers or beneficiaries to negate potential premium increases. DCI does not know the increased utilization that may be created by the provisions of this proposal. As a result, there is a zero to unknown negative impact to General Revenue.

In 2011, the Missouri General Assembly enacted section 376.1190, which states that "any health care benefit mandate proposed after August 28, 2011, shall be subject to review by the Oversight Division of the Joint Committee on Legislative Research. The Oversight Division shall perform an actuarial analysis of the cost impact to private and public payers of any new or revised mandated health care benefit proposed by the General Assembly after August 28, 2011, and a recommendation shall be delivered to the speaker and the president pro tem prior to mandate being enacted."

The department believes the costs of this bill can be absorbed within the current appropriations. However, should the cost exceed the anticipated amount, the department would request an increase to their FTE and/or appropriations as appropriate through the budget process.

Officials from the **Oversight Division** state in 2011, the Missouri General Assembly enacted section 376.1190, which states, “any health care benefit mandate proposed after August 28, 2011, shall be subject to review by the oversight division of the joint committee on legislative research. The oversight division shall perform an actuarial analysis of the cost impact to private and public payers of any new or revised mandated health care benefit proposed by the general assembly after August 28, 2011, and a recommendation shall be delivered to the speaker and the president pro tem prior to mandate being enacted.”

The customary process for an actuarial analysis involves Oversight contracting with an outside firm who will request experience data from the largest insurance carriers in the State of Missouri. Since current law (§376.1190) requires any “proposed” mandate receive an actuarial analysis, the timing may not allow for such in-depth reviews. In 2013 Oversight contracted with a company to perform an actuarial analysis for Senate Bill 262, Senate Bill 159, and Senate Bill 161. Due to the timing of the analysis, the company noted requesting outside data was not possible. This limited analysis in 2013 cost almost \$25,000. Given the cost increases over the last ten years, the varying degree of available information to the outside firm and the potential for more in-depth analysis if the information and timing allow, we can easily assume that a current analysis “could exceed \$50,000”.

The Oversight Division does not currently have the appropriation to cover the costs of an actuarial analysis and would need to request such additional funding through the budget process.

Officials from the **Missouri Department of Conservation (MDC)** state they anticipate an unknown fiscal impact of less than \$250,000.

Oversight does not have any information to the contrary. Oversight will reflect MDC’s costs to the Conservation Commission Fund as “Less than \$250,000”.

Officials from the **Missouri Department of Transportation (MoDOT)** this bill requires health providers to provide coverage for blood pressure monitoring devices for pregnant and postpartum women. This will negatively impact the MoDOT-MSHP medical plan. The negative impact on the State Road Fund is unknown and would depend on usage by pregnant and postpartum enrollees.

Oversight does not have any information to the contrary. MoDOT did not provide an estimate of the fiscal impact to their organization. Therefore, Oversight will reflect MoDOT’s costs to the State Road Fund as “Unknown”. However, Oversight assumes insurance coverage for the maternity services in this proposal would not exceed \$250,000 annually.

Responses regarding the proposed legislation as a whole

Officials from the **Office of the State Courts Administrator (OSCA)** assume TAFP for HCS for SS for SB 878 may have some impact but there is no way to quantify that amount currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 or (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

Officials from the **Department of Elementary and Secondary Education, Department of Health and Senior Services, Department of Social Services, Office of the State Public Defender, Missouri Consolidated Health Care Plan, St. Louis County Police Department, Branson Police Department** and the **Kansas City Police Department** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

In response to similar legislation, HB 1036 (2025), officials from the **Missouri Office of Prosecution Services** assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding

for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities were requested to respond to this proposed legislation but did not. Upon the receipt of additional responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
GENERAL REVENUE			
<u>Cost – Oversight Division (§376.1960) Actuarial analysis/impact study p.5-6</u>	Could exceed (\$50,000)	\$0	\$0
<u>Cost – OSCA (Various Sections) Potential increase in court costs p.7</u>	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE	Could exceed (<u>\$50,000</u>)	\$0 or (<u>Unknown</u>)	\$0 or (<u>Unknown</u>)
STATE ROAD FUND (1320)			
<u>Cost – MoDOT (§376.417) Enrollee’s cost sharing p.3-4</u>	\$0 to (Unknown, could exceed <u>\$250,000</u>)	\$0 to (Unknown, could exceed <u>\$250,000</u>)	\$0 to (Unknown, could exceed <u>\$250,000</u>)
<u>Cost – MoDOT (§ 376.1960) Blood pressure monitoring devices p.6</u>	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT TO THE STATE ROAD FUND	(Unknown, could exceed <u>\$250,000</u>)	(Unknown, could exceed <u>\$250,000</u>)	(Unknown, could exceed <u>\$250,000</u>)

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
CONSERVATION COMMISSION FUND (1609)			
<u>Cost – MDC (§376.1960) Blood pressure monitoring devices p.6</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON THE CONSERVATION COMMISSION FUND	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
LOCAL POLITICAL SUBDIVISIONS			
<u>Revenue gain – School Districts (§376.417) Fines from violations p.3-4</u>	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
<u>Cost – Medical Plans (§376.417) Enrollee’s cost sharing p. 3-4</u>	\$0 to <u>(Unknown)*</u>	\$0 to <u>(Unknown)*</u>	\$0 to <u>(Unknown)*</u>
<u>Cost – (§ 376.1960) Blood pressure monitoring devices p.6</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISOINS	\$0 to <u>(Unknown)*</u>	\$0 to <u>(Unknown)*</u>	\$0 to <u>(Unknown)*</u>

***Oversight** assumes this proposal could result in a cost to the MoDOT-MSHP and local medical plans that could potentially be passed on to members.

FISCAL IMPACT – Small Business

A direct fiscal impact to pharmacists could be expected as a result of this proposal.

FISCAL DESCRIPTION

PHARMACEUTICAL DRUGS AND DEVICES

LIMITS ON SELLING OR PURCHASING CERTAIN DRUGS (Sections 195.417 and 579.060) Current law prohibits the sale, purchase, or dispensation of ephedrine, phenylpropanolamine, or pseudoephedrine to the same individual in a 12-month period in any total amount greater than 43.2 grams without a valid prescription. This bill changes the total amount to 61.2 grams.

Beginning October 1, 2026, any manufacturer of any drug product containing any detectable amount of ephedrine, phenylpropanolamine, or pseudoephedrine sold in this State must, on a monthly basis, pay fees to the administrator of the realtime electronic pseudoephedrine tracking system, as specified in the bill. A manufacturer who fails to knowingly pay such fee will have committed the offense of unlawful sale, distribution, or purchase of over-the-counter methamphetamine precursor drugs, which is a Class A misdemeanor.

PRACTICE OF PHARMACY - VACCINES (SECTION 338.010) Currently, the practice of pharmacy includes the ordering and administration of vaccines approved or authorized by the FDA, but excludes certain vaccines and those vaccines approved after January 1, 2023. This bill instead provides that the practice of pharmacy includes the ordering and administration of certain vaccines approved or authorized by the FDA as of January 1, 2026, but excludes certain vaccines and those that are not included by joint rules promulgated by the Board of Pharmacy and the State Board of Registration for the Healing Arts, both within the Department of Professional Registration.

MEDICATION THERAPEUTIC PLAN AUTHORITY (SECTION 338.012) Currently, a pharmacist with a certificate of medication therapeutic plan authority can provide certain medication therapy services if there is a statewide order issued by the Director or the Chief Medical Officer of the Department of Health and Senior Services if such person is a licensed physician or a licensed physician designated by the Department. This bill repeals this language and authorizes the provision of such medication therapy services under rules established by the Board of Pharmacy and the State Board of Registration for the Healing Arts.

MEDICAL DEVICE PRESCRIPTIONS (SECTION 338.206) This bill authorizes pharmacists to prescribe medical devices, as defined in the bill. The Board of Pharmacy and the State Board of Registration for the Healing Arts will jointly promulgate rules to implement this provision within six months of the effective date of this bill.

DISPENSING OF IVERMECTIN AND HYDROXYCHLOROQUINE (SECTION 338.208) Under this bill, a pharmacist may dispense ivermectin and hydroxychloroquine to a person, without a prescription order, upon the approval of a warning label for the use and indication in accordance with any written, standardized procedures or protocols issued by the Board of Pharmacy. Any ivermectin or hydroxychloroquine that is dispensed by a pharmacist or by a pharmacy technician under a pharmacist's supervision without a prescription must be kept behind

the counter or otherwise not available in a self-service area and be stored in a secure area accessible only to pharmacy personnel.

PHARMACY EMERGENCY WAIVERS (SECTION 338.312) The Board of Pharmacy will have the authority to waive compliance with any Missouri rule or regulation for pharmacies dispensing, shipping, or delivering prescription drugs into another state or United States territory that is experiencing a declared state disaster or emergency, provided that:

- (1) The pharmacy is a licensed pharmacy in good standing and is authorized to ship prescription drugs into such state or territory;
- (2) The pharmacy is responding to a declared state disaster or emergency;
- (3) The pharmacy complies with all emergency rules and regulations for pharmacies and nonprofit pharmacies established by the state or territory for the duration of the disaster period;
- (4) The pharmacy complies with all applicable federal laws and regulations; and
- (5) The waiver applies only to prescription drugs dispensed, shipped, or delivered to residents or health care facilities located within the geographic area specified in the declared state disaster or emergency.

340B DRUGS (Section 376.417) Under this bill, a health carrier, a pharmacy benefits manager, or an agent or affiliate of such, will not discriminate against a "covered entity", as defined in the bill, including by reimbursing the covered entity for a quantity of a 340B drug in an amount less than it would pay similarly situated non-covered entities for such drugs, imposing different terms and conditions as compared to similarly situated entities, refusing to cover 340B drugs or discriminating in reimbursement for 340B drugs, and other situations described under this bill. The Director of the Department of Commerce and Insurance must impose a civil penalty on any health carrier, pharmacy benefits manager, or agent or affiliate of such, that violates this provision, not to exceed \$5,000 per violation, per day.

COVERAGE OF NONOPIOID PRESCRIPTION DRUGS (Section 376.1280) This provides that health benefit plans must not deny coverage of a nonopioid prescription drug in favor of an opioid drug, require the enrollee to try an opioid drug before covering the nonopioid drug, or require a higher level of cost-sharing for a nonopioid prescription drug than for an opioid drug. This bill applies to health benefit plans delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2027.

COVERAGE OF HOME BLOOD PRESSURE MONITORING DEVICES (Section 376.1960) This Section shall be known as "Nora's Law" The bill provides that health benefit plans providing for maternity benefits will provide coverage for a "home blood pressure monitoring device" and "home blood pressure monitoring device services", as defined in the bill, for pregnant and postpartum women when determined to be medically appropriate in accordance with American College of Obstetricians and Gynecologists guidelines. This bill applies to health benefit plans delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2027.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Health and Senior Services
Department of Social Services
Missouri Department of Transportation
Missouri Department of Conservation
Missouri Consolidated Health Care Plan
Office of the Secretary of State
Joint Committee on Administrative Rules
Department of Elementary and Secondary Education
Office of the State Courts Administrator
Missouri Office of Prosecution Services
Oversight Division
Branson Police Department
St. Louis Police Department
Kansas City Police Department



Julie Morff
Director
June 18, 2026



Jessica Harris
Assistant Director
June 18, 2026