

February 24, 2025

The Honorable Will Carpenter, Chairperson
House Committee on Health and Human Services
300 SW 10th Avenue, Room 112-N
Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2364 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2364 is respectfully submitted to your committee.

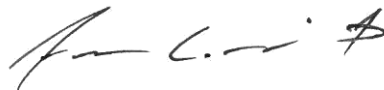
HB 2364 would prohibit an insurer, when a prescriber prescribes a nonopioid medication for the treatment of acute pain, from denying coverage in favor of an opioid prescription drug or requiring a patient to try an opioid prescription drug prior to providing coverage of the nonopioid prescription drug. The bill would require health insurers to ensure that all nonopioid drugs approved by the Food and Drug Administration for the treatment or management of pain are not disadvantaged or discouraged. The bill would not preclude opioid drugs from being preferred over other opioid drugs or nonopioid drugs from being preferred over other nonopioid drugs.

Estimated State Fiscal Effect			
	FY 2025	FY 2026	FY 2027
Expenditures			
State General Fund	--	--	--
Fee Fund(s)	--	\$1,000,000	\$1,085,000
Federal Fund	--	--	--
Total Expenditures	--	\$1,000,000	\$1,085,000
Revenues			
State General Fund	--	--	--
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Revenues	--	--	--
FTE Positions	--	--	--

The Division of State Employee Health Benefits Program in the Department of Administration indicates enactment of the bill would increase expenditures by \$1,000,000 in FY 2026 and \$1,085,000 in FY 2027 from the Health Benefits Administration Clearing Fund to provide the modified coverage. Revenue in this fund comes from premiums collected for the State Employee Health Benefits Plan. The FY 2027 amount assumes an 8.50 percent increase from the FY 2026 estimate due to rising medical costs. The Department states that enactment of the bill would prohibit health insurers from requiring cost-sharing for nonopioid drugs greater than for opioid drugs or less favorable coverage for nonopioid drugs compared to opioid drugs or narcotic prescription drugs. This modified coverage would increase prescription costs for the State Employee Health Plan.

The Department of Health and Environment indicates that the bill would align with current Medicaid policy for nonopioids and would have no fiscal effect on the agency. The Department of Insurance indicates enactment of the bill would not have a fiscal effect on the agency. Any fiscal effect associated with HB 2364 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt
Director of the Budget

cc: Samir Arif, Department of Administration
Kyle Strathman, Insurance Department
Amy Penrod, Department of Health & Environment