

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington St., Suite 301
Indianapolis, IN 46204
(317) 233-0696
iga.in.gov

FISCAL IMPACT STATEMENT

LS 7414
BILL NUMBER: HB 1568

NOTE PREPARED: Apr 12, 2023
BILL AMENDED: Feb 16, 2023

SUBJECT: Prescription of Hormonal Contraceptives.

FIRST AUTHOR: Rep. Rowray
FIRST SPONSOR: Sen. Glick

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: *Dispensing of Hormonal Contraceptives*– The bill allows pharmacists who meet certain requirements to prescribe and dispense hormonal contraceptive patches and self-administered hormonal contraceptives (contraceptives). The bill establishes requirements for pharmacists who elect to prescribe and dispense contraceptives.

Moral Objections– The bill provides that a pharmacist is not required to prescribe a contraceptive to a woman if the pharmacist believes the contraceptive is contraindicated or objects on ethical, moral, or religious grounds. The bill provides that an individual who is a pharmacy technician, pharmacy technician in training, pharmacist student, or pharmacist intern is not required to dispense a contraceptive to a woman if the individual objects on ethical, moral, or religious grounds.

License Revocation– The bill requires the Indiana Board of Pharmacy (Board) to revoke the license of a pharmacist who knowingly or intentionally prescribes a drug that is intended to cause an abortion.

Penalty Provision– The bill establishes penalties for a pharmacist who prescribes a drug that is intended to cause an abortion.

Temporary Standing Order– The bill requires the State Health Commissioner or the Commissioner's designated public health authority to issue a standing order that allows a pharmacist to prescribe and dispense contraceptives until the Board adopts rules that adopt the standing order. The bill establishes requirements for the standing order.

Medicaid Reimbursement– The bill requires the Office of the Secretary of Family and Social Services to

reimburse a pharmacist for services and prescriptions for contraceptives provided to an eligible Medicaid recipient.

Effective Date: Upon passage; July 1, 2023.

Explanation of State Expenditures: *Penalty Provision*– A pharmacist that knowingly or intentionally prescribes a drug intended to cause an abortion would commit a Level 5 felony. A Level 5 felony is punishable by a prison term ranging from 1 to 6 years, with an advisory sentence of 3 years. The sentence depends on mitigating and aggravating circumstances. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$4,456 annually, or \$12.21 daily, per prisoner. However, any additional expenditures are likely to be small.

Medicaid Reimbursement and State Employees' Health Plans– If a covered person would not otherwise have obtained a prescription at all, pharmacists prescribing contraceptives could see a minimal additional increase in contraceptive claims for the Medicaid program and the state employees' health plans. The Medicaid program may also pay for pharmacist services. Any resulting costs are expected to be minor.

Temporary Standing Order– The State Health Commissioner would be allowed to issue a standing order until the Pharmacy Board adopts rules. This is a routine function of the Commissioner and should be able to be accomplished within the State Department of Health's current level of resources.

License Revocation– The Pharmacy Board would likely be able to make determinations and elect to revoke a practitioner's license during regularly scheduled Board meetings.

Dispensing of Hormonal Contraceptives– Rule development is within the Professional Licensing Agency's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels. It is likely the Pharmacy Board would be able to adopt the necessary rules, required by the bill, within their regularly scheduled meetings.

Additional Information– Medicaid is jointly funded between the state and federal governments. The standard state share of costs for most Medicaid medical services for FFY 2023 is 34%, or 10% for the age 19 to 64 expansion population within the Healthy Indiana Plan. The state share of administrative costs is 50%.

Explanation of State Revenues: *Penalty Provision*– If additional court cases occur and fines are collected, revenue to both the Common School Fund (from criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Level 5 felony is \$10,000. However, any additional revenues would likely be small.

Explanation of Local Expenditures: *Penalty Provision*– If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

Local Government Employee Health Care Plans– Local units of government providing health insurance plans for employees may see increased prescription contraceptive claims to the extent that a person receiving a prescription from a pharmacist would not have otherwise obtained the contraceptive. Any additional costs are expected to be minimal.

Explanation of Local Revenues: *Penalty Provision*– If additional court actions occur and a guilty verdict

is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

State Agencies Affected: Board of Pharmacy, Medical Licensing Board, Professional Licensing Agency; State Department of Health; Department of Correction; Attorney General.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: U.S. Health and Human Services Department; National Alliance of State Pharmacy Associations, Pharmacist Prescribing: Hormonal Contraceptives, <https://nasp.us/resource/contraceptives>.

Fiscal Analyst: Chris Baker, 317-232-9851; Karen Rossen, 317-234-2106.