

Connecticut General Assembly



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TO: Appropriations Committee
FROM: OFA Staff
SUBJECT: Fiscal Impact

sHB 6370 – An Act Implementing the Governor’s Budget Recommendations Concerning Maximization of Pharmacy Rebates

Net Savings Included In Budget FY 09	Net Savings Included In Gov Budget FY 10	Net Savings Included In Gov Budget FY 11
\$6,200,000	\$2,900,000	\$2,000,000

This bill clarifies current practice by specifically allowing the Department of Social Services (DSS) to enter into contracts for supplemental pharmacy rebates. Pharmaceutical rebates are used to offset costs under the Medicaid, ConnPACE, State Administered General Assistance, Charter Oak, and HUSKY programs and the Medicare Part D Supplemental Needs Fund. It is estimated that without the specific language under this bill, DSS would lose \$6.2 million in rebates in FY 09, \$2.9 million in FY 10 and \$2 million in FY 11. As the rebates are used to offset appropriations, these losses would necessitate higher appropriations to meet current programmatic projections.