



VERMONT LEGISLATIVE
Joint Fiscal Office

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Fiscal Note

3/21/2023

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H.222 – An act relating to reducing overdoses

As recommended by the House Committee on Human Services, Draft 4.1¹

Bill Summary

The bill proposes several updates to existing initiatives as well as new initiatives relating to reducing overdoses.

- The bill includes an appropriation of \$150,000 for grants and consultations for syringe disposal programs from the Evidence-Based Education and Advertising Fund.
- The bill would increase the prescription drug manufacturer fee rate which would raise and deposit an additional \$1.3 million per year into the Evidence-Based Education and Advertising Fund.
- The bill would enable health care providers in office-based opioid-treatment programs to prescribe 24 milligrams of buprenorphine without prior authorization, which could have an estimated fiscal impact of approximately \$1-2 million per year on the Medicaid budget.

Background and Details

The following sections have a fiscal impact.

Sec. 3 – Appropriation for Grants and Consultations

Sec. 3 of the bill would appropriate \$150,000 from the Evidence-Based Education and Advertising Fund to the Department of Health's Division of Substance Use Programs to provide grants and consultations for municipalities, hospitals, community health centers, and other community needle and syringe disposal programs.

Sec. 3a – Manufacturer Fee

Sec. 3a of the bill would increase the prescription drug manufacturer fee from 1.75% to 2.25% of the previous calendar year's prescription drug spending by the Department of Vermont Health Access (DVHA) specific to manufacturer labeler codes used in the Medicaid rebate program.² This increase is estimated to raise an additional \$1.3 million each year. Revenues from the manufacturer fee are deposited into the Evidence-Based Education and Advertising Fund and can be used for a variety of activities as specified in 33 V.S.A. § 2004a.

¹[https://legislature.vermont.gov/Documents/2024/WorkGroups/House%20Human%20Services/Bills/H.222/Drafts,%20Amendments%20and%20Legal%20Documents/H.222~Katie%20McLinn~House%20Committee%20on%20Human%20Services%20Committee%20Report%20\(11-0-0\)~3-17-2023.pdf](https://legislature.vermont.gov/Documents/2024/WorkGroups/House%20Human%20Services/Bills/H.222/Drafts,%20Amendments%20and%20Legal%20Documents/H.222~Katie%20McLinn~House%20Committee%20on%20Human%20Services%20Committee%20Report%20(11-0-0)~3-17-2023.pdf)

² 33 V.S.A. § 2004

Sec. 4 – Opioid Antagonists and Dispensing Kiosks

The bill would expand the list of prevention, intervention, and response strategies the Department of Health must develop for the purpose of addressing prescription and nonprescription opioid overdoses in Vermont “depending on available of resources” to include expanded distribution of opioid antagonist to assist those at risk of experiencing an opioid-related overdoses and establishing opioid antagonist dispensing kiosks in accessible locations. The costs of these interventions will depend on the mechanics of the programs (such as how they are staffed, the number of kiosks, etc.), as well as the availability of resources. No new appropriation is required at this time.

Sec. 8b – Prior authorization; Buprenorphine

Sec. 8b would require DVHA to amend its rules to enable health care providers in office-based opioid-treatment programs to prescribe 24 milligrams of buprenorphine without prior authorization. According to DVHA this change could have an estimated fiscal impact of approximately \$1 to \$2 million dollars per year.

Summary

The fiscal implications of the bill include an:

- Appropriation of \$150,000 from the Evidence-Based Education and Advertising Fund for grants and consultations for needle and syringe disposal programs.
- Increase in the prescription drug manufacturer fee rate (from 1.75% to 2.25%) for an increase in revenue of an estimated \$1.3 million per year to the Evidence-Based Education and Advertising Fund.
- Estimated fiscal impact of \$1-2 million per year to the Medicaid program by changing the prescription rules around buprenorphine.