

## FISCAL NOTE

January 6, 2020

<b>Bill No:</b>	HB 410	<b>Printer's No:</b>	385	<b>Sponsor:</b>	Oberlander (R)
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### COST / (SAVINGS)

Fund (s)	2019-20	2020-21
General Fund	\$88.6 million	\$88.6 million

**SUMMARY:** This bill adds anti-obesity drugs to the Medical Assistance program.

**ANALYSIS:** HB 410 establishes anti-obesity drugs approved by the federal government shall be considered a compensable item under the Medical Assistance (MA) program.

**FISCAL IMPACT:** Adding anti-obesity drugs as a compensable item under MA would carry an estimated annual cost of \$88.6 million.

Total MA population	Obesity rate	Potential MA participants	Estimated utilization rate	Cost per patient	Annual Cost
1.9 million	31.6 percent	600,449	10 percent	\$1,500	<b>\$88.6 million</b>

Assuming an obesity rate of 31.6 percent in the total MA population of 1.9 million individuals, 600,449 would potentially seek anti-obesity drugs. At an estimated utilization rate of 10 percent and cost per patient of \$1,500, the annual cost to MA totals \$88.6 million.