

SF3822 - 1A - Opioid Use Disorder Trtmnt PA & Step Ther. Prohib

Chief Author: **Omar Fateh**  
 Committee: **Health And Human Services**  
 Date Completed: **3/29/2026 10:01:28 PM**  
 Agency: **Human Services Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	1,013	5,064	6,076
Health Care Access	-	-	409	2,044	2,453
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,422</b>	<b>7,108</b>	<b>8,529</b>
<b>Biennial Total</b>			<b>1,422</b>		<b>15,637</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	-
Health Care Access	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Kate Schiller    **Date:** 3/29/2026 10:01:28 PM  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2 Dollars in Thousands	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	1,013	5,064	6,076
Health Care Access	-	-	409	2,044	2,453
<b>Total</b>	-	-	<b>1,422</b>	<b>7,108</b>	<b>8,529</b>
<b>Biennial Total</b>			<b>1,422</b>		<b>15,637</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
General Fund	-	-	1,013	5,064	6,076
Health Care Access	-	-	409	2,044	2,453
<b>Total</b>	-	-	<b>1,422</b>	<b>7,108</b>	<b>8,529</b>
<b>Biennial Total</b>			<b>1,422</b>		<b>15,637</b>
<b>2 - Revenues, Transfers In*</b>					
General Fund	-	-	-	-	-
Health Care Access	-	-	-	-	-
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-

**Bill Description**

This bill eliminates prior authorization (PA) or step therapy for any formulation of buprenorphine that is approved by the United States Food and Drug Administration (FDA) for the treatment of opioid use disorder.

**Assumptions**

DHS assumes the effective date of this legislation to be January 1, 2027.

This bill will remove PA for any formulation of buprenorphine that is FDA approved for treating opioid use disorder. DHS assumes that this change will result in a utilization shift from preferred to non-preferred products and a loss of rebates from lower use of preferred drugs.

Based on department claims data, it is estimated that claim volume for these drugs losing PA is around 18,400 per quarter. DHS assumed that this claim volume is distributed across the different MA populations proportional to overall pharmacy spending with an adjustment for low children usage. Within these claims, the average cost is about \$410 before a rebate. The average cost difference between preferred drugs and the most likely non-preferred injectable alternative is estimated to be \$1290 per month. The average cost difference for the most likely non-preferred oral alternative is \$300 per month. DHS assumed that 25% of current utilization would shift to non-preferred drugs and this shift is split evenly between oral and injectable alternatives.

Finally, once DHS stops receiving supplemental rebates on the brand name formulation of the preferred Suboxone film, DHS will be federally required to enforce generic substitution. This will result in a new net cost of about \$125 per claim instead of the \$80 per claim under the current arrangement while receiving rebates, implying an increase of \$45 per claim net of rebates.

DHS does not assume any administrative or IT systems changes associated with this legislation.

**Expenditure and/or Revenue Formula**

<b>Utilization Shift</b>				
	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>MA Elderly and Disabled</b>				
Avg monthly claim volume	3,373	3,373	3,373	3,373
Percent substitution	25.00%	25.00%	25.00%	25.00%
Avg monthly claim substitution	843	843	843	843
Avg price difference per claim	\$795.00	\$795.00	\$795.00	\$795.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total cost (elderly and disabled)	\$0	\$1,340,810	\$6,704,049	\$8,044,859
Federal share %	50.68%	51.36%	51.36%	51.36%
Federal share	\$0	\$688,640	\$3,443,199	\$4,131,839
State Share	\$0	\$652,170	\$3,260,849	\$3,913,019
<b>MA Adults Without Kids</b>				
Avg monthly claim volume	1,958	1,958	1,958	1,958
Percent substitution	25.00%	25.00%	25.00%	25.00%
Avg monthly claim substitution	489	489	489	489

Avg price difference per claim	\$795.00	\$795.00	\$795.00	\$795.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total cost (adults)	\$0	\$778,213	\$3,891,063	\$4,669,275
Federal share %	90.00%	90.00%	90.00%	90.00%
Federal share	\$0	\$700,391	\$3,501,956	\$4,202,348
State Share	\$0	\$77,821	\$389,106	\$466,928
<b>MA Families With Children</b>				
Avg monthly claim volume	817	817	817	817
Percent substitution	25.00%	25.00%	25.00%	25.00%
Avg monthly claim substitution	204	204	204	204
Avg price difference per claim	\$795.00	\$795.00	\$795.00	\$795.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total cost (families)	\$0	\$324,940	\$1,624,701	\$1,949,641
Federal share %	50.68%	51.36%	51.36%	51.36%
Federal share	\$0	\$166,889	\$834,446	\$1,001,336
State Share	\$0	\$158,051	\$790,255	\$948,305
<b>MinnesotaCare</b>				
Avg monthly claim volume	1,028	1,028	1,028	1,028

Percent substitution	25.00%	25.00%	25.00%	25.00%
Avg monthly claim substitution	257	257	257	257
Avg price difference per claim	\$795.00	\$795.00	\$795.00	\$795.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total MnCare State Cost	\$0	\$408,796	\$2,043,978	\$2,452,774
<b>Pharmacy Rebates</b>				
	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>MA Elderly and Disabled</b>				
Avg monthly claim volume (suboxone film)	2,789	2,789	2,789	2,789
Percent subject to generic enforcement	75.00%	75.00%	75.00%	75.00%
Avg monthly claims shift to generic	2,092	2,092	2,092	2,092
Avg price difference per claim (net of rebates)	\$45.00	\$45.00	\$45.00	\$45.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total cost (elderly and disabled)	\$0	\$188,258	\$941,290	\$1,129,548
Federal share %	50.68%	51.36%	51.36%	51.36%
Federal share	\$0	\$96,689	\$483,447	\$580,136

State Share	\$0	\$91,569	\$457,843	\$549,412
<b>MA Adults Without Kids</b>				
Avg monthly claim volume (suboxone film)	1,619	1,619	1,619	1,619
Percent subject to generic enforcement	75.00%	75.00%	75.00%	75.00%
Avg monthly claims shift to generic	1,214	1,214	1,214	1,214
Avg price difference per claim (net of rebates)	\$45.00	\$45.00	\$45.00	\$45.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total cost (adults)	\$0	\$109,266	\$546,329	\$655,595
Federal share %	90.00%	90.00%	90.00%	90.00%
Federal share	\$0	\$98,339	\$491,696	\$590,036
State Share	\$0	\$10,927	\$54,633	\$65,560
<b>MA Families With Children</b>				
Avg monthly claim volume (suboxone film)	676	676	676	676
Percent subject to generic enforcement	75.00%	75.00%	75.00%	75.00%
Avg monthly claims shift to generic	507	507	507	507

Avg price difference per claim (net of rebates)	\$45.00	\$45.00	\$45.00	\$45.00
Phase-in	0.00%	16.67%	83.33%	100.00%
Total cost (families)	\$0	\$45,624	\$228,118	\$273,742
Federal share %	50.68%	51.36%	51.36%	51.36%
Federal share	\$0	\$23,432	\$117,161	\$140,594
State Share	\$0	\$22,191	\$110,957	\$133,148
<b>Fiscal Summary: State Share</b>				
	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>MA Elderly and Disabled</b>				
Utilization Shift	\$0	\$652,170	\$3,260,849	\$3,913,019
Pharmacy rebates	\$0	\$91,569	\$457,843	\$549,412
Total MA Elderly and Disabled	\$0	\$743,739	\$3,718,693	\$4,462,431
<b>MA Adults without Children</b>				
Utilization Shift	\$0	\$77,821	\$389,106	\$466,928
Pharmacy rebates	\$0	\$10,927	\$54,633	\$65,560
Total MA Adults without	\$0	\$88,748	\$443,739	\$532,487

Children				
<b>MA Families with Children</b>				
Utilization Shift	\$0	\$158,051	\$790,255	\$948,305
Pharmacy rebates	\$0	\$22,191	\$110,957	\$133,148
Total MA Families with Children	\$0	\$180,242	\$901,211	\$1,081,453
<b>Total MA (GF)</b>	<b>\$0</b>	<b>\$1,012,729</b>	<b>\$5,063,643</b>	<b>\$6,076,372</b>
	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>	<b>FY 2029</b>
<b>MinnesotaCare</b>				
Utilization Shift	\$0	\$408,796	\$2,043,978	\$2,452,774
<b>MinnesotaCare (HCAF)</b>	<b>\$0</b>	<b>\$408,796</b>	<b>\$2,043,978</b>	<b>\$2,452,774</b>

Fiscal Tracking Summary (\$000's)						
Fund	BACT	Description	FY2026	FY2027	FY2028	FY2029
GF	33ED	MA Grants	0	744	3,719	4,462
GF	33AD	MA Grants	0	89	444	532
GF	33FC	MA Grants	0	180	901	1,081
HCAF	31	MinnesotaCare Grants	0	409	2,044	2,453

		<b>Total Net Fiscal Impact</b>	0	1,422	7,108	8,529
		<b>Full Time Equivalents</b>				

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

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