
BUDGET UNIT BRIEF – FY 2020

Fiscal Services Division

November 11, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Medical Contracts — Pharmaceutical Settlement Account

Background

The Pharmaceutical Settlement Account, under the authority of the Department of Human Services (DHS), collects moneys from legal settlements with prescription drug manufacturers relating to pharmaceuticals provided by the Medicaid Program.

Revenues

Revenues to the Pharmaceutical Settlement Account are required to be used for the purpose of technology upgrades under the Medicaid Program. The balance of the Account is appropriated to Medical Contracts, which administers the Iowa Medicaid Program. Revenues from the Account have ranged from \$379,000 to \$10.9 million over the past 10 years, depending on the number of settlements. The average appropriation from the Account has been approximately \$1.3 million.

Related Statutes and Administrative Rules

Iowa Code sections [99D.13](#) and [249A.33](#)

Budget Unit Number

4130N230173

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More Information

Senate File 516: www.legis.iowa.gov/docs/publications/LGE/87/SF516.pdf

House File 2454: www.legis.iowa.gov/docs/publications/LGE/86/HF2454.pdf

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