

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2719-01  
Bill No.: HB 898  
Subject: Drugs and Controlled Substances; health Care; health Care Professionals;  
Pharmacy; Physicians  
Type: Original  
Date: January 19, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Department of Social Services** and the **Department of Economic Development- Division of Professional Registration** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Health and Senior Services (DOH)** states there would be no fiscal impact as a result of this proposal.

**Oversight** assumes this proposal would require the DOH to take on additional responsibilities. Since the DOH states there would be no fiscal impact, **Oversight** assumes the DOH plans to absorb any additional costs.

Officials from the **Secretary of State Office (SOS)** state this proposal assigns the Department of Health and Senior Services administration with help from the Department of Economic Development, a drug repository program. The Department of Health and Senior Services is charged with creating rules to administer this program, as well as establish fees therefor. These rules would be published in both the *Missouri Register* and the *Code of State Regulations*. These rules could require as many as 48 pages in the *Code of State Regulations* and half again as

ASSUMPTION (continued)

many pages in the *Missouri Register* because cost statements, fiscal notes and the like are not repeated in Code. These costs are estimated. The estimated cost of a page in the Register is \$23 and the estimated cost of a page in the Code is \$27. The actual cost could be more or less than the numbers given. The impact of the legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded or withdrawn. The SOS estimates the cost for FY 05 to be \$2,952.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Pharmacies that are small business would be required to store these products. Additional staff may be necessary to maintain the inventory and documentation. Additional staff may be needed to review donated medications to determine if the medications are appropriate and acceptable for donation.

DESCRIPTION

This proposal establishes the Prescription Drug Repository Program in the Department of Health and Senior Services. The program must be established by January 1, 2005.

In its main provisions, the proposal:

- (1) Requires the program to accept and dispense donated prescription drugs to Missouri

DESCRIPTION (continued)

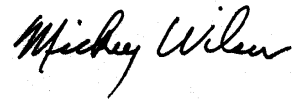
residents who meet eligibility criteria;

- (2) Establishes criteria for the acceptance of drugs used in the program;
- (3) Specifies which persons can donate prescription drugs to the program and the facilities where the drugs will be collected;
- (4) Allows voluntary participation of pharmacies, hospitals, and nonprofit clinics in the program;
- (5) Requires that a participating pharmacy, hospital, or nonprofit clinic dispense the donated prescription drugs to eligible Missouri residents in compliance with applicable federal and state drug laws;
- (6) Allows a participating entity to charge a fee to persons who receive the donated prescription drugs. The resale of donated prescription drugs is prohibited;
- (7) Prohibits persons or entities who do not violate provisions of the bill and who act in good faith from being subject to criminal or civil liability;
- (8) Requires the director of the department, in consultation with the State Board of Pharmacy, to adopt rules to implement the program; and
- (9) Specifies the subject areas and procedures that the rules are required to address and implement.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services  
Department of Economic Development -  
Division of Professional Registration  
Secretary of State  
Department of Social Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
January 19, 2004