

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3668-04  
Bill No.: SCS for HCS for HB 1168  
Subject: Licenses - Professional; Pharmacy  
Type: Original  
Date: May 4, 2006

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Board of Pharmacy	(\$3,572)	\$0	\$0
Board of Registration for the Healing Arts	(\$3,572)	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$7,144)</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 2007	FY 2008	FY 2009
<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 2007	FY 2008	FY 2009
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Department of Insurance** assume the proposal will have no fiscal impact on their organization.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal to the SOS for administrative rules is less than \$1,500. The SOS does not expect additional funding would be required to meet these costs. However, the SOS recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Department of Health and Senior Services (DOH)** state the proposal would not be expected to fiscally impact the operations of the DOH. If a fiscal impact were to result, funds to support the program would be sought through the appropriations process.

Officials from the **Department of Economic Development (DED) - Division of Professional Registration (PR)** assume that the 4 members of each board would meet at least 4 times per year and that all meetings would be held in Jefferson City. The Principal Assistant, one clerical staff member and legal counsel for each board would also be in attendance. It is assumed there would

ASSUMPTION (continued)

be four meetings in FY 07 to promulgate rules and regulations related to medication therapeutic plans. It is estimated that each board member will receive per diem and reimbursement for expenses for each day for which they are conducting board business. The DED-PR estimates \$3,542 in board-related costs for FY 07 for each, the Board of Pharmacy and the Board of Registration for the Healing Arts.

The DED-PR also provides that based on review of the proposal and the costs associated with the Dental Well-Being Committee, the board believes the costs to implement the Pharmacy Well-Being Committee are unknown. The board is not able to determine the number of licensees who will participate in the program, what, or if a monthly fee will be paid by the participants, or if any donations will be received to assist the committee with its expenditures. The board anticipates the committee will incur costs for professional and clerical services, utilities, supplies, travel expenses, testing fees, etc.

It is assumed the DED-PR would request Office of Administration (COA) - Division of Purchasing and Materials Management send out a Request for Information (RFI) in order to estimate costs for such a committee before a decision item is requested. Based on the bids received and approval of the necessary appropriation, the DED-PR would follow the COA's bidding process to secure the contract services for the Pharmacy Well-Being Committee.

**Oversight** assumes the Board of Pharmacy would require participants to pay fees to cover the costs of treatment and/or adjust pharmacy licensing fees, if necessary based on the RFI, to cover the costs of the Pharmacy Well-Being Program

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
<b>BOARD OF PHARMACY FUND</b>			
<u>Costs - Department of Economic Development</u>			
Per diem costs and other Board meeting related expenses	<u>(\$3,542)</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON BOARD OF PHARMACY FUND</b>	<b><u>(\$3,542)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009

**BOARD OF REGISTRATION FOR  
 THE HEALING ARTS FUND**

Costs - Department of Economic  
 Development

Per diem costs and other Board meeting related expenses	<u>(\$3,542)</u>	<u>\$0</u>	<u>\$0</u>
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**ESTIMATED NET EFFECT ON THE  
 BOARD OF REGISTRATION FOR  
 THE HEALING ARTS FUND**

<u>(\$3,542)</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government

FY 2007 (10 Mo.)	FY 2008	FY 2009
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business pharmacies could be impacted by this proposal if license fees are increased.

DESCRIPTION

This proposal allows the state board of pharmacy to grant a certificate of medication therapeutic plan authority to pharmacists. This authority will allow pharmacists to accept a prescription order for a medication therapeutic plan and administer the plan if the prescription order is specific to each patient for care by a specific pharmacist. Written protocol from the physician who refers the patient for medication therapy services is required and must only come from a physician and not under any person under a collaborative practice arrangement or supervision agreement.

To earn a certificate, the applicant must complete a board approved course of academic clinical study beyond a bachelors of science in pharmacy including clinical assessment skills.

The state board of registration for the healing arts and the state board of pharmacy shall promulgate rules regulating prescription orders for medication therapy services.

DESCRIPTION (continued)

Amends the definition of "practice of pharmacy" to include the administration of vaccines by written protocol authorized by a physician and administering medication therapeutic plans. Veterinary prescription orders are also included in the definition.

This proposal authorizes the Board of Pharmacy to create a "Well-being Committee" to promote early identification, intervention, treatment and rehabilitation of licensed pharmacists who are impaired by illness, substance abuse, or any physical or mental condition. The board may enter into a contractual agreement with a nonprofit corporation or an association for the purposes of administering the committee. Information produced by or furnished to the committee shall be confidential unless subject to discovery or introduced as evidence in civil, criminal, or administrative proceedings; it is essential to disclose the information to further treatment; the licensee authorizes the release of the information; the committee is required to report to the board; or the information is subject to a court order.

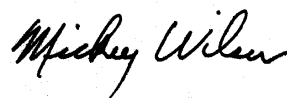
The board may require a pharmacist to submit himself or herself for identification, treatment, or rehabilitation by the well being committee as a condition to issuing or renewing the pharmacist's license. The board may also enter into a diversion agreement and refer the licensee to the committee in lieu of pursuing disciplinary actions.

The committee must report to the board the name of any licensee who refuses to enter treatment within forty-eight hours following the provider's determination that the pharmacist needs treatment, fails to comply with the terms of the licensee's treatment contract, or resumes the practice of pharmacy before the provider has clearly determined that the pharmacist is capable of practicing according to acceptable and prevailing standards.

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



Mickey Wilson, CPA  
Director  
May 4, 2006