

February 2, 2005

The Honorable Jim Morrison, Chairperson
House Committee on Health and Human Services
Statehouse, Room 171-W
Topeka, Kansas 66612

Dear Representative Morrison:

SUBJECT: Fiscal Note for HB 2077 by Representative Sloan, et al.

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2077 is respectfully submitted to your committee.

HB 2077 would establish a cancer drug repository program under the State Board of Pharmacy. Under this bill any person, including a drug manufacturer or health care facility, could donate prescription cancer drugs at a physician's office, pharmacy, hospital, or nonprofit clinic that elects to participate in the program. The drugs would then be dispensed to persons who are residents of Kansas and meet eligibility standards established by the Board of Pharmacy. The donated drugs could not be resold, but a handling fee approved by the Pharmacy Board could be charged. The bill also states that parties involved in this program, including the Board of Pharmacy, the Secretary of the Department of Health and Environment, organizations donating drugs, organizations accepting drugs for dispensing, and drug manufacturers, would not be subject to criminal prosecution, liability in tort or other civil action, or professional disciplinary action for matters relating to donating, accepting, or dispensing the donated drugs.

Passage of HB 2077 would have a fiscal effect on the Board of Pharmacy. Under the bill, the Board would have to compose eligibility standards for persons who could receive the donated drugs as well as for organizations dispensing the donated drugs. A special license for organizations dispensing the drugs would have to be developed. With an increase in licensees, the Board would have more inspections to complete. The Board would be responsible for inspecting the drugs to see that they meet standards for original unit dose and tamper proof packaging. The Board would have to draft rules and regulations for the new program. Finally,

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the Board would have to enforce the rules and regulations adopted and prosecute any violations. The cost of all these additional duties would depend on the number of participants in the new program and the volume of donated drugs. Without experience, an estimate of the fiscal effect cannot be made.

Sincerely,

Duane A. Goossen
Director of the Budget

cc: Debra Billingsley, Pharmacy
Aaron Dunkel, Health & Environment