

Approved: February 3, 1994
Date FM

MINUTES OF THE HOUSE COMMITTEE ON PUBLIC HEALTH AND WELFARE.

The meeting was called to order by Chairperson Joann Flower at 1:30 p.m. on January 31, 1994 in Room 423-S of the Capitol.

All members were present except:

Rep. Henry, Rep. Swall, excused.
Rep. Nichols, absent

Committee staff present:

Norman Furse, Revisor of Statutes
Sue Hill, Committee Secretary

Conferees appearing before the committee:

Tom Hitchcock, Executive Secretary, Kansas Board of Pharmacy

Others attending: See attached list

Chairperson Flower called the meeting to order and directed attention to two sets of Committee minutes for January 26, 27th. She asked members to read them carefully and if there are corrections please call the Committee Secretary by 5:00 p.m. tomorrow, February 1. If no corrections, these minutes will be considered approved as presented.

Chair requested a staff briefing on **HB 2600.**

Norman Furse gave a detailed explanation of **HB 2600**, noting on page 2, line 8, language sets out minimum and maximum fees that can be fixed by the Board of Pharmacy, and such fees could be set within that range. The reciprocal license fees would be changed from \$250 to \$350. On page 2, line 17, fees are changed from \$50 to \$100 for a wholesaler registration and re-registration. Line 23, maximum fee for a retail drug dealer selling more than 12 different non-prescription drug products would change from \$12 to \$25, and the same for a renewal.

HEARINGS BEGAN ON **HB 2600.**

Tom Hitchcock, Executive Secretary/Director, Kansas Board of Pharmacy, offered hand-out (Attachment No.1). He stressed, proposed legislation, **HB 2600** would not increase fees, but would allow the Board to set fees by regulation, a higher fee enforced, if and when determined necessary in order to carry out and enforce the provisions of the Pharmacy Act and Controlled Substances Act. He detailed the changes in the fee schedule. He urged favorable consideration of **HB 2600.**

Mr. Hitchcock then answered questions, i.e., there is an increase in the number of pharmacists, and wholesalers for prescription drugs. The number of pharmacies however has remained fairly constant the past 5 years. He drew attention to the importance of the expiration date on non-prescription drugs being carefully monitored. There were questions regarding the retailer selling over 12 over the counter items, i.e. cough syrup, aspirin.

It was noted the Committee on Rules and Regulations reviews everything the Board of Pharmacy does. He noted the Committees on Appropriations and Ways and Means suggest the Pharmacy Board keep a carry-over revenue of \$150,000-\$180,000. He stated the current carry-over revenue was \$130,000 the last 2 years. It was noted the annual budget for the Board of Pharmacy is \$393,000.

Chair drew attention to a copy of the fiscal note on **HB 2600** provided for members. See Attachment No.2.

HEARING CLOSED ON **HB 2600.**

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON PUBLIC HEALTH AND WELFARE, Room 423-S
Statehouse, at 1:30 p.m. on January 31, 1994.

Chair requested a staff briefing on **HB2601**.

Mr. Furse gave a comprehensive explanation of **HB 2601**, noting two changes proposed in the pharmacy license law, i.e., on Page 2, line 7, regarding a pharmacist in Kansas to fill a valid prescription which has been issued in another state which had been transferred to this state by any means, including electronic transfer. Change 2 relates to a regulatory area, i.e., allowing the Board to promulgate regulations to exempt from registration non/resident pharmacy. He explained.

HEARING BEGAN ON **HB 2601**.

Tom Hitchcock, Kansas Board of Pharmacy offered hand-out, (Attachment No.3). **HB 2601** would eliminate a statutory provision that was established a year ago, requiring that certain information be recorded on the front side (face) of the hard copy of a prescription. He gave a detailed explanation, i.e., all the information would still be required, but the only requirement which would be placed on the face of the prescription would be the word "VOID", allowing Kansas law to be in compliance with the federal law. He also noted a second change is on page 5, lines 8-15, adding a subsection (g), allowing the Board to adopt rules and regulations that make exceptions to the registration requirement by a nonresident pharmacy when the out-of-state pharmacy supplies lawful refills to a patient from a prescription that was originally filled/delivered to a patient within the state in which the nonresident pharmacy is located, or when the prescriptions being mailed into the state of Kansas by a nonresident pharmacy occurs only in isolated transactions.

Mr. Hitchcock answered numerous questions, i.e., with the amendment proposed, the pharmacy law would then comply with both federal and state regulations. He explained "an isolated situation".

There was a discussion regarding using the term "shall" rather than "may adopt rules and regulations. Mr. Hitchcock had no problem with changing "shall" to "may".

Mr. Furse stated, the Board of Pharmacy wouldn't necessarily create exceptions, but would be given the authority to do so by rules and regulations.

The information required would be put on the hard prescription copy, not the finished product the consumer takes away from the pharmacy.

It was noted, perhaps it would be wise to have **HB 2601** become effective on the date of the Kansas register. Mr. Hitchcock agreed this would be most helpful.

HEARING CLOSED ON **HB 2601**.

Chair adjourned the meeting at 2:13 p.m.

The next meeting is scheduled for February 1, 1994.

HOUSE PUBLIC HEALTH AND WELFARE COMMITTEE

DATE Jan. 31, 1994

[illegible]

Kansas State Board of Pharmacy

LANDON STATE OFFICE BUILDING
900 JACKSON AVENUE, ROOM 513
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STATE OF KANSAS



JOAN FINNEY
GOVERNOR

TOM C. HITCHCOCK
EXECUTIVE SECRETARY/DIRECTOR

DANA W. KILLINGER
BOARD ATTORNEY

HOUSE BILL 2600 HOUSE PUBLIC HEALTH & WELFARE COMMITTEE JANUARY 31, 1994

MADAM CHAIRPERSON, MEMBERS OF THE COMMITTEE, MY NAME IS TOM HITCHCOCK AND I APPEAR BEFORE YOU TODAY ON BEHALF OF THE BOARD OF PHARMACY IN SUPPORT OF HB 2600.

THIS BILL IS ENTIRELY WITHIN ONE PHARMACY STATUTE, K.S.A. 65-1645, THAT DEALS WITH THE MAXIMUM DOLLAR AMOUNT WHICH THE BOARD OF PHARMACY MAY CHARGE FOR THE ISSUANCE OF A REGISTRATION, LICENSURE OR PERMIT. THE BILL DOES NOT INCREASE THESE FEES, BUT WILL ALLOW THE BOARD TO SET, BY REGULATION, A HIGHER FEE IF AND WHEN THEY DEEM IT NECESSARY IN ORDER TO CARRY OUT AND ENFORCE THE PROVISIONS OF THE PHARMACY ACT AND CONTROLLED SUBSTANCES ACT. THIS AUTHORITY MAY BE FOUND IN SUBSECTION (d) ON LINES 31 THROUGH 34.

THE THREE PROPOSED CHANGES CAN ALL BE FOUND ON PAGE 2, LINES 8, 17, 23 AND 24. THE FIRST CHANGE ON LINE 8 WILL ALLOW THE INCREASE OF THE RECIPROCAL LICENSURE FEE. THE BOARD CURRENTLY, ON LINE 3, HAS THE AUTHORITY TO CHARGE UP TO \$350 FOR THE EXAMINATION FEE AND THEY BELIEVE THAT BOTH AVENUES TO BECOME LICENSED, BY EXAMINATION AND RECIPROCITY, SHOULD BE SAME AMOUNT. THE SECOND CHANGE ON LINE 17 WILL ALLOW AN INCREASE FOR REGISTRATION TO DISTRIBUTE NONPRESCRIPTION DRUGS THAT ARE NOT CONTROLLED SUBSTANCES AND THE THIRD CHANGE ON LINES 23 AND 24 WILL ALLOW AN INCREASE FOR REGISTRATION OF RETAIL DEALERS THAT SELL MORE THAN 12 DIFFERENT NONPRESCRIPTION DRUG PRODUCTS.

CURRENTLY ALL THREE OF THE FEES ARE SET IN REGULATION AT THE MAXIMUM AMOUNT. THE CHANGES PROPOSED IN THIS BILL WOULD, HOWEVER, ALLOW THE BOARD OF PHARMACY THE FLEXIBILITY TO INCREASE THEIR BUDGETARY REVENUE AS THEY DEEM NECESSARY.

THE BOARD OF PHARMACY RESPECTFULLY REQUESTS THE FAVORABLE PASSAGE OUT OF COMMITTEE HOUSE BILL 2600.

THANK YOU

Phkcl
1-31-94
Attn #1.

STATE OF KANSAS



DIVISION OF THE BUDGET

Room 152-E
State Capitol Building
Topeka, Kansas 66612-1504
(913) 296-2436
FAX (913) 296-0231

Joan Finney
Governor

Gloria M. Timmer
Director

January 24, 1994

The Honorable Joann Flower, Chairperson
House Committee on Public Health and Welfare
Statehouse, Room 426-S
Topeka, Kansas 66612

Dear Representative Flower:

SUBJECT: Fiscal Note for HB 2600 by House Committee on
Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note
concerning HB 2600 is respectfully submitted to your committee.

HB 2600 would amend the statutory limits placed on the
licensing and renewal fees collected by the Board of Pharmacy. The
bill would increase the reciprocal licensure fee for pharmacists
from \$250 to \$300. The new registration fee for pharmaceutical
wholesalers would be increased from \$50 to \$100. The bill would
also increase permit fees for retail dealers selling more than 12
different non-prescription drugs from \$12 to \$20.

Estimated State Fiscal Impact				
	FY 1994 SGF	FY 1994 All Funds	FY 1995 SGF	FY 1995 All Funds
Revenue	--	--	7,233	36,163
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

Passage of the bill would have no immediate effect on the fee
revenues collected by the Board of Pharmacy. It would, however,
allow the Board to change through rules and regulations its current
fee structure to collect higher fees for reciprocal pharmacist
licensure, the registration of wholesale distribution of non-

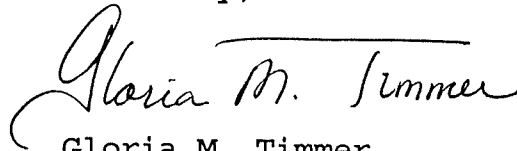
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1-30-94
Attn #2

The Honorable Joann Flower, Chairperson
January 24, 1994
Page 2

prescription drugs and retail dealer permits. Currently, the Board collects the statutory maximum for all three of these categories.

Based on the Board's FY 1995 fee fund estimate, if the Board were to approve fee increases to the statutory maximums changed by HB 2600, it would generate an additional \$36,163 in revenues, of which \$7,233 would be to the State General Fund.

Sincerely,

A handwritten signature in cursive script that reads "Gloria M. Timmer". The signature is written in dark ink and is positioned above the printed name and title.

Gloria M. Timmer
Director of the Budget

cc: Tom Hitchcock, Pharmacy

2600.fn

RH:W
1-31-94
Attn #2-2
29272

Kansas State Board of Pharmacy

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STATE OF KANSAS



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BOARD ATTORNEY

HOUSE BILL 2601

HOUSE PUBLIC HEALTH & WELFARE COMMITTEE

JANUARY 31, 1994

MADAM CHAIRPERSON, MEMBERS OF THE COMMITTEE, MY NAME IS TOM HITCHCOCK AND I APPEAR BEFORE YOU TODAY ON BEHALF OF THE BOARD OF PHARMACY IN SUPPORT OF HB 2601.

THIS BILL IS PROPOSED TO AMEND TWO STATUTES UNDER THE PHARMACY ACT WHICH ARE K.S.A. 65-1656 AND 65-1657. THERE IS ONLY ONE CHANGE IN EACH STATUTE. THE FIRST CHANGE IS FOUND ON PAGE 2, LINE 7, WHICH STRIKES THE REQUIREMENT THAT SOME RECORD KEEPING THAT IS REQUIRED BE PLACED ON THE FACE OF A TRANSFERRED PRESCRIPTION. ALL THE INFORMATION WOULD STILL BE REQUIRED, BUT THE ONLY REQUIREMENT WHICH WOULD BE PLACED ON THE FACE OF THE PRESCRIPTION WOULD BE THE WORD "VOID". THIS CHANGE ALLOWS THE KANSAS LAW TO BE IN COMPLIANCE WITH THE FEDERAL LAW AS FOUND IN DEA REGULATION 21 C.F.R. 1306(a)(1). THE PHARMACIST MUST COMPLY WITH THIS FEDERAL REGULATION IF THE PRESCRIPTION IS FOR A CONTROLLED SUBSTANCE DRUG.

THE SECOND CHANGE IS FOUND ON PAGE 5, LINES 8 THROUGH 15. THIS AMENDMENT ADDS THE ADDITIONAL SUBSECTION WHICH WILL ALLOW THE BOARD TO PROMULGATE REGULATIONS TO EXEMPT FROM REGISTRATION A NONRESIDENT PHARMACY THAT SUPPLIES SOMEONE IN THIS STATE A PRESCRIPTION ONLY IN ISOLATED TRANSACTIONS. WITHOUT THIS EXEMPTION, EVERY NONRESIDENT PHARMACY WHICH SENDS A PRESCRIPTION TO A PATIENT IN KANSAS, BE THEY A VISITOR OR A RESIDENT, IS REQUIRED TO BE REGISTERED AS A NONRESIDENT PHARMACY.

THE BOARD OF PHARMACY RESPECTFULLY REQUESTS THE FAVORABLE PASSAGE OUT OF COMMITTEE HOUSE BILL 2601.

THANK YOU.

PHW
1-31-94
Attn #3