

February 20, 2026

The Honorable Will Carpenter, Chairperson  
House Committee on Health and Human Services  
300 SW 10th Avenue, Room 112-N  
Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2695 by Representative Howe

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2695 is respectfully submitted to your committee.

HB 2695 would enact the Enhanced Oversight and Accountability for the Prescription of Psychotropic Drug Act. The bill would make Legislative declarations regarding the use of psychotropic drugs by children receiving medical assistance, as well as definitions for use in the Act. Before prescribing or administering a psychotropic drug to a child receiving medical assistance, prescribers would be required to provide a medication guide and obtain informed consent from such child's parent. The bill would outline the requirements for the medication guide and the written informed consent.

The Secretary of Health and Environment would be required to develop and maintain a secure online reporting system as detailed in the bill for adverse drug reactions related to psychotropic drugs prescribed to children. The bill would state that documents or other information reported or maintained by the Secretary for the system would be confidential and privileged, and not subject to the Open Records Act. The provisions related to the system would sunset July 1, 2031, unless extended by the Legislature. The Secretary would be required to allocate funding to establish and maintain the online reporting system and would be able to seek additional funding as needed. Beginning with the 2027 Legislative Session, the Secretary would be required to compile and submit quarterly and annual reports to the Legislature as detailed in the bill.

According to the Department of Health and Environment, enactment of HB 2695 would result in a fiscal effect because an adverse drug reaction online system for psychotropic drugs does not currently exist. The agency was unable to determine an exact fiscal effect, but anticipates a range between \$412,282 and \$1.5 million, including up to \$1.2 million from the State General Fund in FY 2027 due to one-time system changes. Future years are estimated to be between \$65,407 and \$850,140, all from the State General Fund.

For data submitted in the new system required by the bill, the agency presented two options on how this could be handled. If the data was only to be analyzed, then costs would be about \$62,292

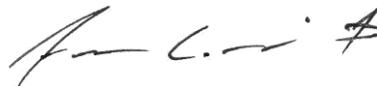
per year for salary and wages, as well as supplies, for a part-time 0.40 position to provide descriptive analysis of the reports. This would not include validation of the reports, cross-referencing medical records or reports to other entities, or other data validation.

If the data was to be analyzed and also investigated and validated, the agency anticipates costs of about \$1.1 million per year. This would include salary and wages, as well as supplies, for 1.25 positions for epidemiology staff. There would also be contractual costs to set up the software needed for the reporting. Some of these costs would be one time for the setup and build of the new system. The agency states anyone could report the potential drug reactions into an online survey tool and staff would review reports. For a subset of types of reporters, staff would validate reports against other existing record types. If this process did not yield enough information to fill out the required investigation fields, then epidemiology staff would attempt to interview the reporter and/or guardians to gather more information. The process of investigating and classifying cases would require full-time staff. The agency notes that this option would be more consistent with how disease conditions are currently reported. This option would also take into consideration that, in order to systematically establish surveillance for disease conditions, a dedicated surveillance system would be needed. The online survey tool would not be a replacement for an actual disease surveillance system that meets the needs of the reporters and the staff analyzing data.

For changes to the Medicaid Program, the agency estimates one-time costs up to \$349,990, including \$87,498 from the State General Fund. This would be the estimated cost to build the secure online portal required by the bill. The agency indicates this would be done within the existing Kansas Eligibility Enforcement System Self-Service Portal for Medical.

The Kansas State Board of Nursing states that any cost related to revisions of regulations or communication to licensees would be handled within existing resources. The Kansas State Board of Healing Arts, the Kansas Board of Pharmacy, the Department for Children and Families, the Kansas Department for Aging and Disability Services, and the Kansas Department of Corrections do not anticipate a fiscal effect as a result of HB 2695. Any fiscal effect associated with HB 2695 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,



Adam C. Proffitt  
Director of the Budget

cc: Susan Gile, Board of Healing Arts  
Jill Simons, Board of Nursing  
Amy Penrod, Department of Health & Environment  
Alexandra Blasi, Board of Pharmacy  
Kim Holter, Department for Children & Families  
Jennifer King, Department of Corrections  
Leigh Keck, Department for Aging & Disability Services