



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Commerce, Community,
and Economic Development

DIVISION OF CORPORATIONS, BUSINESS AND
PROFESSIONAL LICENSING

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March 30, 2016

The Honorable Representative Steve Thompson and Representative Mark Neuman
Co-Chairs, House Finance Committee
State Capitol Room 519
Juneau, AK 99801

Dear Representative Thompson and Representative Neuman,

During the House Finance Committee hearings on March 29, I was asked to follow up on questions concerning SB74 - Medicaid Reform/PFD/HSAS/ER Use/Studies:

Are there any conditions or obligations by the State in return for the federal money received for the Prescription Drug Monitoring Program?

There are no conditions required by the grant in order to receive annual funding for the PDMP database. This grant was awarded to the Department of Health and Social Services and the PDMP funding distributed to the Department of Commerce, Community, and Economic Development through a reimbursable services agreement.

Does the Federal Government have access to the Prescription Drug Monitoring Program?

There is no direct access by the Federal Government, except that Veteran Administration (VA) and Indian Health Service prescribers and dispensers may access data related to their patient.

The only other access would be by law enforcement, per AS 17:30.200(d)(5):

AS 17.30.200 (d)(5) federal, state, and local law enforcement authorities may receive printouts of information contained in the database under a search warrant, subpoena, or order issued by a court establishing probable cause for the access and use of the information.

How were the legal costs determined in the DCCED Fiscal Note?

The legal cost is based on the average, over a two-year period (FY2014-FY2015), of the expenses for expert witness, Department of Law legal services, and services rendered by the Office of Administrative Hearings for the Alaska State Medical Board, Board of Psychologist and Psychological Associate Examiners, Board of Marital and Family Therapy, Board of Social Work Examiners, and Board of Professional Counselors combined. This section of the fiscal note pertains to the bill's expansion of telehealth and telemedicine, not the Prescription Drug Monitoring Program.

What if the federal funding for the program terminates, how many licensees will be charged to cover the Prescription Drug Monitoring Program?


The current grant is in year 1 of 5. Additional grant funding is being sought to defray additional costs of program compliance. Under current law, all expenses of the PDMP and its program/support/investigative components must be covered by the Board of Pharmacy and its

licensees. Should this bill pass, the costs of the program would be spread among all required registrants if grant funds cease to exist. The actual number of registrants under the proposed legislation is unknown since delegation would be optional and each licensee could delegate to several personnel. Each of those personnel would be required to register. So, authorized dispensers/prescribers under the bill, using current licensing numbers, is approximately 9000; however, delegation would increase that number to an unknown amount. The number of new licensees in each of the professions would increase that number annually:

	New in FY15	Total in FY15
Pharmacists	100	1156
Dentists	42	915
Physicians	250	4119
Physicians Assistants	85	808
Adv. Nurse Practitioners	105	1059
Optometrists	19	202
Veterinarians	70	519
Estimated Totals	671	8778

We hope this helps to answer some of the questions posed in committee. If you or any members of the committee have further questions or require additional information about anything provided here, please contact DCCED Special Assistant Micaela Fowler at 465-2503.

Sincerely,



Janey Howenden
Director