

Fiscal Note

State of Alaska
2016 Legislative Session

Bill Version:	CSHB 344(HSS)
Fiscal Note Number:	1
(H) Publish Date:	3/28/2016

Identifier: HB344-DCCED-CBPL-02-27-16
Title: DRUG PRESCRIPTION DATABASE
Sponsor: SEATON
Requester: (H) Health and Social Services

Department: Department of Commerce, Community and Economic Development
Appropriation: Corporations, Business and Professional Licensing
Allocation: Corporations, Business and Professional Licensing
OMB Component Number: 2360

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2017 Appropriation Requested	Included in Governor's FY2017 Request	Out-Year Cost Estimates					
			FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
OPERATING EXPENDITURES								
Personal Services	100.6		100.6	100.6	100.6	100.6	100.6	100.6
Travel	3.0		3.0	3.0	3.0	3.0	3.0	3.0
Services	34.5		10.0	10.0	10.0	10.0	10.0	10.0
Commodities	5.0							
Capital Outlay								
Grants & Benefits								
Miscellaneous								
Total Operating	143.1	0.0	113.6	113.6	113.6	113.6	113.6	113.6

Fund Source (Operating Only)

1156 Rcpt Svcs	143.1		113.6	113.6	113.6	113.6	113.6	113.6
Total	143.1	0.0	113.6	113.6	113.6	113.6	113.6	113.6

Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0	1.0
Part-time								
Temporary								

Change in Revenues	143.1		113.6	113.6	113.6	113.6	113.6	113.6
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Estimated SUPPLEMENTAL (FY2016) cost: 0.0 (separate supplemental appropriation required)
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2017) cost: 0.0 (separate capital appropriation required)
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 07/01/17

Why this fiscal note differs from previous version:

Not applicable, initial version.

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Division:	Corporations, Business and Professional Licensing	Date:	02/27/2016 12:25 PM
Approved By:	Catherine Reardon, Director	Date:	02/27/16
Agency:	Division of Administrative Services		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2016 LEGISLATIVE SESSION

Analysis

HB344 requires a pharmacist who dispenses or a practitioner who prescribes, administers, or directly dispenses controlled substances to register with the database and allows the Board of Pharmacy or another licensing board to discipline those required to register if they fail to do so. It allows for a pharmacist or practitioner to receive an exemption from reporting through the database.

It requires the Board of Pharmacy to adopt regulations for pharmacists, practitioners, and their delegates to access the database to check a patient's prescription records before dispensing to a patient, to enter a prescription into the database at "near real time" when dispensing, and the procedures and time frame for registering with the database. This bill does not require practitioners to check the database before prescribing. It requires the Board of Pharmacy to develop an alert system in the database when prescription/dispensation exceeds limitations.

This legislation allows access to the Prescription Drug Monitoring Database (PDMP) by the pharmacist responsible for administering prescription drug coverage for the Medicaid medical assistance program; the person responsible for utilization review of prescription drugs for the Medicaid medical assistance program, the state medical examiner, and an authorized employee of DHSS who may receive undisclosed information for the purpose of identifying and monitoring public health issues in the state, and limits that access. In addition, it allows delegation of authority by pharmacists and practitioners and mandates information be submitted to the database at near real time to when the prescription is dispensed.

HB344 allows transitional language that requires the Board of Pharmacy to provide necessary information and training to the State Medical Board, Board of Nursing, the Board of Dental Examiners, and the Board of Optometry for implementing the requirements of this Act. This fiscal note provides for one Program Coordinator, range 18; expansion of the scope and functionality of the PDMP will require staff such as a Program Coordinator I in Juneau to manage all aspects of the PDMP, including registration, reporting, collaboration and engagement with the state's opioid control program, grant writing and reporting, vendor solicitation, and other facets of the PDMP.

If the bill passes the following expenses will be incurred:

Personal Services: \$100.6 (one full time permanent Program Coordinator, range 18)

Travel: \$3.0 (program coordinator to attend two board meetings and engagement with committees and stakeholders in the state's opioid control program)

Services: \$12.5 (legal costs to amend regulations, printing, and postage in first year)

\$12.0 (printing and postage to notify prescribers who would be required to register)

\$10.0 (department-wide services support for one new position)

Commodities: \$5.0 in first year (computer, office panels, office furniture and other one-time needs for one new position)

The PDMP as it is currently operating is funded by a federal grant through a reimbursable service agreement (RSA) with the Department of Health and Social Services (DHSS). The department is seeking additional federal grant funding in collaboration with DHSS. If awarded, costs of this program enhancement could be covered by federal grant funds instead of program receipts. In absence of the grant it would be paid for by Board of Pharmacy licensees.