

Approved: February 7, 2006  
Date

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairman Jim Morrison at 1:30 p.m. on February 6, 2006, in Room 526-S of the Capitol.

All members were present except Representatives Garcia and Holland.

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department  
Mary Galligan, Kansas Legislative Research Department  
Renaee Jefferies, Revisor of Statutes' Office  
Gary Deeter, Committee Secretary

Conferees appearing before the committee: None

Others attending:

See attached list (not available on electronic minutes)

The minutes for February 2, 2006, were approved.

Staff Mary Galligan demonstrated the editing capabilities of Adobe Acrobat 7.0, illustrating how comments and notes can be attached to an electronic PDF document

Ms. Galligan briefed the committee on tomorrow's hearing on **HB 2397**, which deals with wholesale licensure and prescription medications. The act would require the Kansas Board of Pharmacy to implement a pedigree system, which would follow a drug from the manufacturer through the wholesaler to the retail outlet. An identification number would be attached to each drug to assist in tracking. The board would develop testing and licensing procedures through rules and regulations. Ms. Galligan commented that the federal government's Prescription Drug Marketing Act has made little impact, California and Florida being the only states to implement provisions of the act. She said the fiscal note (Attachment 1) indicates that the bill allows the Board of Pharmacy to pass costs through to distributors and to recoup expenditures through increased fees. She said another bill, **HB 2820**, was recently introduced by the House Appropriations Committee. The Chair asked staff to compare both bills at the next meeting.

The meeting was adjourned at 2:55 p.m. The next meeting is scheduled for Tuesday, February 7, 2006.



March 3, 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 2397 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2397 is respectfully submitted to your committee.

HB 2397 would require the Kansas Board of Pharmacy to implement a pedigree system for the drug distribution system. A pedigree would follow the drug from the manufacturer through the distribution system, until it reaches the retail store. Each product would be given a unique identification number and the system would provide sufficient safeguards to ensure that drugs were not counterfeit or that a wholesale drug diversion submarket was not developed.

The Kansas Board of Pharmacy would have to develop testing and licensure procedures for all wholesale distributors who deliver any drugs into the state. Either a paper or electronic system that requires distributors to provide a statement identifying each prior sale of the drug would have to be implemented. The Board would also have to develop and implement rules and regulations for the pedigree system and incorporate the system into current record keeping as well as inspection and regulation functions of the agency. The federal government has provided for such a system to be put into place through the Prescription Drug Marketing Act. However, because the costs of the program would have to be passed on to the distributor, no real progress has been made. Only two states, California and Florida, have passed laws requiring distributor pedigrees and neither has been implemented. The agency states that there is no information on which to base a cost estimate. The Board of Pharmacy assumes that the costs of the program, whatever the level, could be passed on to the distributors. So while agency expenditures would increase, licensing fees would be increased in order to cover the expenditures.

Sincerely,



Duane A. Goossen  
Director of the Budget

cc: Debra Billingsley, Pharmacy  
Jeremy Barclay, Dept. of Corrections

Patti Biggs, Sentencing Commission

Attachment 1  
HHS 2-6-06