

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on January 31, 2008 in Room 123-S of the Capitol.

All members were present except:
Senator Laura Kelly - excused

Committee staff present:
Jill Wolters, Senior Assistant, Revisor of Statutes
Kristen Clarke Kellems, Assistant Revisor of Statutes
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Jarod Waltner, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:
Representative Kay Wolf
Martin Kennedy, Commissioner, Kansas Department on Aging
Barbara Gibson, Director, Kansas Department of Health and Environment
Barbara Langner, Ph.D., Kansas Health Policy Authority
Marilyn Page, Executive Director, Marian Clinic
Mitzi E. McFatrach, Executive Director, Kansas Advocates for Better Care
Cathy Harding, Executive Director, Kansas Association for the Medically Underserved
Craig Kaberline, Executive Director, Kansas Area Agencies on Aging Association
Frank Whitchurch, Manager Pharmacy Operations, Prescription Solutions of Johnson County
Mary Sloan, Director, Kansas Association of Homes and Services for the Aging
Debra Billingsly, Executive Secretary, Kansas Board of Pharmacy

Others attending:
See attached list.

Bill Introductions

Senator Steineger moved, with a second by Senator Wysong, to introduce a conceptual bill concerning coal fired power plants. Motion carried on a voice vote.

Senator Steineger moved, with a second by Senator Teichman, to introduce a conceptual bill concerning drainage and levees, general provisions (Attachment 1). Motion carried on a voice vote.

Chairman Umbarger acknowledged Kathy Damron, representing the University of Kansas, who explained two requests for bill introductions. Senator Steineger moved, with a second by Senator Schodorf, to introduce a conceptual bill authorizing the University of Kansas to sell property in Lawrence. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Teichman, to introduce a conceptual bill to clarify use of non-state funds for capital improvements. Motion carried on a voice vote.

Chairman Umbarger explained a bill request on behalf of the Kansas Department of Corrections. Senator Steineger moved, with a second by Senator Emler, to introduce a conceptual bill concerning fee funds for crime victims. Motion carried on a voice vote.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 31, 2008 in Room 123-S of the Capitol.

Chairman Umbarger opened the public hearing on:

HB 2578—Establishing the utilization of unused medications act; exemptions

Staff gave a briefing on the bill which was given by Jill Wolters, Senior Assistant, Revisor of Statutes Office (Attachment 2).

The following conferees testified in support of the bill:

State Representative Kay Wolf explained that disposal of prescriptions and over the counter medications is a common practice today even when they are unopened or expired (Attachment 3). The bill would make sure that the medications are coming from a controlled environment. She noted that the bill is good public policy. Continued rising costs and the availability of healthcare are a major concern for everyone.

Martin Kennedy, Commissioner of Licensing, Certification and Evaluation, Kansas Department on Aging, reported that currently both state and federal regulations require facilities to dispose of discontinued or expired medications and biologicals. Mr. Kennedy noted that the Agency asks that Sec 3(a) language be amended as stated in his written testimony (Attachment 4).

Barbara Gibson, Director, Primary Care Office, Office of Local and Rural Health, Kansas Department of Health and Environment, testified that they support the amendment to include mail order pharmacies (Attachment 5). This new program would provide another resource to ensure access to pharmaceuticals for those Kansans in need who use the critical safety net system. She also noted that they support the amendment to include mail order pharmacies.

Barbara Langner, Ph.D., Kansas Health Policy Authority, explained that Health Policy is in support of the bill, good policy and helpful to low income citizens (Attachment 6).

Marilyn Page, Executive Director, Marian Clinic, mentioned that it is important to strengthen the bill to enable the safety net clinics to give timely care to individuals (Attachment 7). Ms. Page gave an example on page two of her testimony regarding a patient with cardiac concerns.

Mitzi E. McFatrach, Executive Director, Kansas Advocates for Better Care (Attachment 8). Ms. McFatrach explained that they strongly support the concept of the bill whereby unused medications are recovered and repackaged for distribution to indigent persons in need of medications.

Cathy Harding, Executive Director, Kansas Association for the Medically Underserved (Attachment 9). Ms. Harding mentioned that safety net clinics would be eligible to participate in the utilization of unused medications act by dispensing the medications to medically indigent individuals seeking care at the clinic. She also noted that the bill also recognizes and addresses the need for prescription drugs among low income individuals who cannot afford to pay for them.

Craig Kaberline, Executive Director, Kansas Area Agencies on Aging (Attachment 10). Mr. Kaberline explained that he had the opportunity to travel to Tulsa County, Oklahoma, to view the area containing all of the medications that came in from the nursing homes in the area. He suggested having discussions with the individuals in Tulsa County because they have the longest-running program.

Frank Whitchurch, R.Ph., Manager of Pharmacy Operations, Prescription Solutions of Johnson County (Attachment 11). Mr. Whitchurch mentioned that when they became aware of Representative Kay Wolf's sponsorship of **HB 2578**, the professional staff at their pharmacy saw an opportunity to make a difference for patients in their home state. Rather than destroy these medications, they would like an opportunity to donate them through this legislation. Mr. Whitchurch noted that the risk to the patient is small.

Mary Sloan, Director of Governmental Affairs, Kansas Association of Homes and Services for the Aging (Attachment 12). Ms. Sloan explained that their organization supports the bill because it would enable unused medications to be salvaged, instead of destroyed, and to be made available for use by indigent persons thereby enabling those doing without needed medication to obtain it.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 31, 2008 in Room 123-S of the Capitol.

Debra Billingsly, Executive Secretary, Kansas Board of Pharmacy ([Attachment 13](#)). Ms. Billingsly testified as a neutral position regarding the bill. She noted that the policy of the bill is good. Ms. Billingsly explained that the Board of Pharmacy is concerned that the bill includes eligible medications from all adult care homes. They suggested that eligible medications be limited to those institutions where the medication has not reached the end user (e.g., the patient) and has been under the control of the institution.

Written testimony was submitted by:

Michael Larkin, Executive Director, Kansas Pharmacists Association ([Attachment 14](#))

Amy Falk, Executive Director, Caritas Clinics, Inc. ([Attachment 15](#))

Laurel Alkire, Executive Director, Senior Services, Inc., Wichita ([Attachment 16](#))

David Randazzo, Executive Director, Claridge Court and Member, KAHSAs ([Attachment 17](#))

Cindy Luxem, CEO/President, Kansas Health Care Association ([Attachment 18](#))

Ernie Kutzley, Advocacy Director, AARP ([Attachment 19](#))

Terri Roberts, Executive Director, Kansas State Nurses Association ([Attachment 20](#))

Amanda Lowe, President and CEO, Health Partnership Clinic of Johnson County ([Attachment 21](#))

The Chairman closed the public hearing on **HB 2578**. Chairman Umbarger requested that Senator Vicki Schmidt, the Revisor and interested parties work on amendments to the bill.

The Chairman welcomed Melissa Ness, Chair, and Jim Redmon, Executive Director, Kansas Children's Cabinet and Trust Fund. Copies of the Children's Initiative Fund Briefing Binder dated October 17, 2007, were distributed. Copies of this binder are available from the Children's Cabinet and Trust Fund.

One of their key roles is to review and recommend. In reference to the briefing binder, page 1, the information lists programmatically what the funds are used for and the kinds of programs are listed in the booklet. Section 2 has all the programs and budget amounts, page 6 lists the CIF funding for all programs and gives a sense of how these dollars are being spent. Geographic regions are shown. The criteria the Cabinet has worked with the University of Kansas for evidence based practices and whether or not over the years they are improving and moving on.

Chairman expressed appreciation for the updated booklet with all the detail and thoroughness of the information provided.

Copies of the Kansas Children's Cabinet and Trust Fund, CIF FY 2009 Funding Recommendations were distributed to the Committee ([Attachment 22](#))

The meeting adjourned at 12:00 p.m. The next meeting was scheduled for February 1, 2008.

**SENATE WAYS AND MEANS
GUEST LIST**

Date January 31, 2008

NAME	REPRESENTING
Therese Price	Marian Clinic
Delra Billimply	KS Bd of Pharmacy
Jennifer Cross	KS Coalition for School Readiness
Tom Falace	Pmca of KS
Beagan Cussimano	KHPA
Paul Weber	Kearney & Associates
Jim Snyder	SHL
Lindsey Douglas	Hein Law Firm
Doug Bowman	CCECDs
Martha Sabehart	^{Kansas} Commission on Disability Concerns
Chris Tilden	KDHE
Mary Sloan	KAHSA
Gilbert Cruz	State LTC Ombudsman
Rob Mercy	LITTLE BOY RELATIONS
D Murray	Federico Consulting
Barbara Gibson	KDHE
Mike Hammond	ACMAK
Rubin Clements	Capital We/You Co's
Paul Wood	SRS
Callie Hartle	Ks Assn for Justice (KsAJ)

24-132

Chapter 24.--DRAINAGE AND LEVEES

Article 1.--GENERAL PROVISIONS

24-132. Certain drainage districts traversed or touched by Kansas river authorized to provide for flood control works and improvements; regulation of excavations; bonds, limitations; election, when; tax levies. (a) Except as provided by this section and subject to the provisions of K.S.A. 19-270, and amendments thereto, all of the rights, powers, authority and jurisdiction conferred on counties and boards of county commissioners by the provisions of K.S.A. 19-3301, 19-3302, 19-3303, 19-3304, 19-3305, 19-3306, 19-3308 and 19-3309, and amendments thereto, also are conferred upon and vested in any drainage district traversed or touched by the Kansas river, and contiguous to or including a part of a city of the first class, and the governing body thereof.

(b) The governing body of any such drainage district, in the name of the drainage district, shall have the power to enter into undertakings and contracts and make agreements in like manner and for like purposes as the board of county commissioners are authorized by this act to enter into undertakings and contracts and make agreements in the name of the county; and may acquire lands, rights of way and easements either within or without the limits of the drainage district for like purposes as the board of county commissioners are authorized by K.S.A. 19-3302 and 19-3308, and amendments thereto, by purchase, gift or by eminent domain proceedings in the manner prescribed by K.S.A. 26-501 to 26-516, inclusive, and amendments thereto, and may issue general obligation bonds of the drainage district to pay the costs thereof and expenses connected therewith in the manner provided by law. The aggregate of any such bonds so issued shall not be in excess of 3 1/2% of the total assessed tangible valuation of the drainage district. The governing body of any drainage district may issue additional general obligation bonds of the drainage district for such purposes not in excess of 1 1/2% of the total assessed tangible valuation of the drainage district, but before such additional bonds may be issued, the governing body of the drainage district shall submit the question of the issuance of such additional bonds and the amount thereof to the qualified electors of the drainage district at a regular drainage district election or at a special election called for that purpose as provided by law. The total aggregate of all such bonds which may be issued under the provisions of this section shall not be in excess of 5% of the total assessed tangible valuation of the drainage district. Such bonds shall not be subject to, nor included in any restrictions or limitations upon the amount of bonded indebtedness of the drainage district contained in any other law.

Funds received from the sale of bonds by any such drainage district may be used to pay any loss, damage or expense for which the drainage district or the governing body thereof may be liable in like manner as counties are authorized to pay such loss, damage or expense under the provisions of K.S.A. 19-3304, and amendments thereto.

(c) For the purposes of maintaining and operating such flood control works as shall be constructed by the United States army corps of engineers or other agencies of the United States government, when the same shall have been completed and turned over to the drainage district, and for the purpose of maintaining and operating any flood control works or dikes heretofore or hereafter constructed for the purpose of protecting such drainage district from floods, the governing body of such drainage district shall be empowered to make an annual tax levy upon all the taxable tangible property within the drainage district, of not to exceed one mill and such levy shall be in addition to all other levies authorized or limited by law.

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(d) ~~Except as provided by this subsection, the governing body of the drainage district may regulate excavations within the boundaries in the same manner provided by K.S.A. 19-3309, and amendments thereto.~~ The governing body of the drainage district shall have authority to regulate only those excavations made or commenced within one thousand (1,000) feet landward or riverward of the center line of any portion of a flood control works constructed under the provisions of chapter 19, article 33 of the Kansas Statutes Annotated, and may issue permits for such excavations. Applications for permits shall be submitted to and reviewed by the district engineer. If the engineer determines that the proposed excavation shall be detrimental or will impair or endanger the function of any flood protection works, permission for such excavation shall be denied. If the engineer determines that a restricted or conditional permit for excavation can be granted to the applicant which will not be detrimental or will not impair or endanger the function of such flood protection works, the engineer shall issue such restricted or conditional permit. If the engineer determines that no impairment of or danger to such flood protection works will occur as a result of such excavation, the engineer shall issue a permit to the applicant. The issuance of any permits hereunder shall not authorize the violation of any existing zoning laws or building codes.

Any person feeling aggrieved by the determination of the engineer may appeal such decision in writing to the governing body of the drainage district within 10 days of determination and the governing body after a public hearing may affirm, reverse or modify the determination.

(e) It shall be the duty of the governing body of the drainage district to keep all such flood control works and dikes in serviceable condition and to make such repairs as may be necessary.

History: L. 1957, ch. 188, § 1; L. 1963, ch. 234, § 54; L. 1986, ch. 70, § 23; L. 1995, ch. 210, § 3; May 4.

Office of Revisor of Statutes

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MEMORANDUM

To: Senate Committee on Ways and Means
From: Jill Ann Wolters, Senior Assistant Revisor
Date: January 31, 2008
Subject: HB 2578, utilization of unused medicines act

HB 2578, as amended by House Committee, enacts the utilization of unused medicines act. The department of aging (DOA) shall implement a voluntary program for unused medication to be transferred from adult care homes to indigent health care clinics or federally qualified health centers to be used by Kansas residents who are medically indigent. Donated medication shall not be resold but can be transferred to another clinic or center. A resident of an adult care home, or the representative or guardian of a resident, may donate unused medications for dispensing to medically indigent persons. The act does not apply to medicine purchased or provided with federal title XIX or title XXI funds.

"Indigent health care clinic" means a not-for-profit outpatient medical care clinic which has a contractual agreement in effect with the secretary of health and environment (KDHE) to provide health care services to medically indigent persons.

"Medically indigent person" means a person who lacks resources to pay for medically necessary health care services and who meets the eligibility criteria for qualification as a medically indigent person established by the secretary of KDHE.

To accept unused medication for use in the program:

- (1) The medications shall have come from a controlled storage unit of an adult care home;
- (2) only medications in their original or pharmacist sealed unit dose packaging or unused injectables shall be accepted and dispensed;
- (3) expired medications and controlled substances shall not be accepted;
- (4) adulterated medication shall not be accepted or dispensed; and
- (5) unused medications dispensed for purposes of a medical assistance program or drug product donation program may be accepted and dispensed.

Clinics or centers may dispense medications to the medically indigent and charge a handling fee not to exceed 200% of the medicaid dispensing fee. The clinics or centers shall:

- (1) Comply with all applicable federal and state laws related to the storage and distribution of medications;

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(2) inspect all medications prior to dispensing the medications to determine that such medications are not adulterated; and

(3) dispense prescription drugs only pursuant to a prescription issued by a practitioner or mid-level practitioner.

Regarding lawful donation, acceptance or dispensing, immunity (absent bad faith or gross negligence) from civil or criminal liability for injury other than death, or loss to person or property, or professional disciplinary action is granted to the state board of pharmacy, KDHE, DOA, an adult care home donating medications, the clinic or center accepting or dispensing medications, and the clinic or center that employs a practitioner or mid-level practitioner who accepts or can legally dispense prescription drugs.

Regarding the donation, acceptance or dispensing of a medication manufactured by the prescription drug manufacturer that is donated by any entity, such manufacturer is granted immunity, absent bad faith or gross negligence, from criminal or civil liability for injury other than for death, or loss to person or property, from liability for failure to communicate product or consumer information or the expiration date of the donated prescription drug.

Regarding individuals who donate medications in good faith, immunity from liability is granted from criminal or civil liability arising from any injury or death due to the condition of such medications unless such injury or death is a direct result of the willful, wanton, malicious or intentional misconduct of such individual.

The state board of pharmacy shall adopt rules and regulations by December 1, 2007, to implement the act. Such rules and regulations shall include:

(1) standards and procedures for transfer, acceptance and safe storage of donated medications;

(2) standards and procedures for inspecting donated medications to ensure that the medications are in compliance with the act and to ensure that, in the professional judgment of a pharmacist, the medications meet all federal and state standards for product integrity;

(3) establish standards for acceptance of unused medications from adult care homes; and

(4) establish, in consultation with KDHE and DOA, any additional rules and regulations, and standards and procedures it deems appropriate or necessary to implement the provisions of the act.

KDHE shall maintain records of program participation including the number of facilities donating medications, recipient locations, the amount of medications received and the number of clients served.

State of Kansas
House of Representatives

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Kay Wolf
Representative, 21st District

January 31, 2008

TO: Chairman Umbarger
Members of the Senate Ways and Means Committee

From: Representative Kay Wolf, 21st District

RE: HB 2578 Utilization of Unused/Unopened Medications Act

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you today in support of HB2578. As you are aware this bill passed the House last session at a vote of 122 Yeas and 0 Nays. We are all aware of the high cost of medications and the great need for affordable access for the elderly and our uninsured and underinsured population. Disposal of prescriptions and over the counter medications is a common practice today even when they are unopened and unexpired.

The legislation before you today is a culmination of ideas, thoughts, research and hours of work by numerous Kansas organizations, agencies, and volunteers. Many of these entities are here today to testify before you as proponents of HB2578. Some examples of those who have worked on this bill are, but certainly not limited to:

- 1) Kansas Health Policy Authority
- 2) Department of Aging
- 3) KS Association of Medically Underserved
- 4) KS Department of Health and Environment
- 5) KS Area Agencies on Aging

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- 6) KS Advocates for Better Care
- 7) KS Association of Homes and Services for the Aging

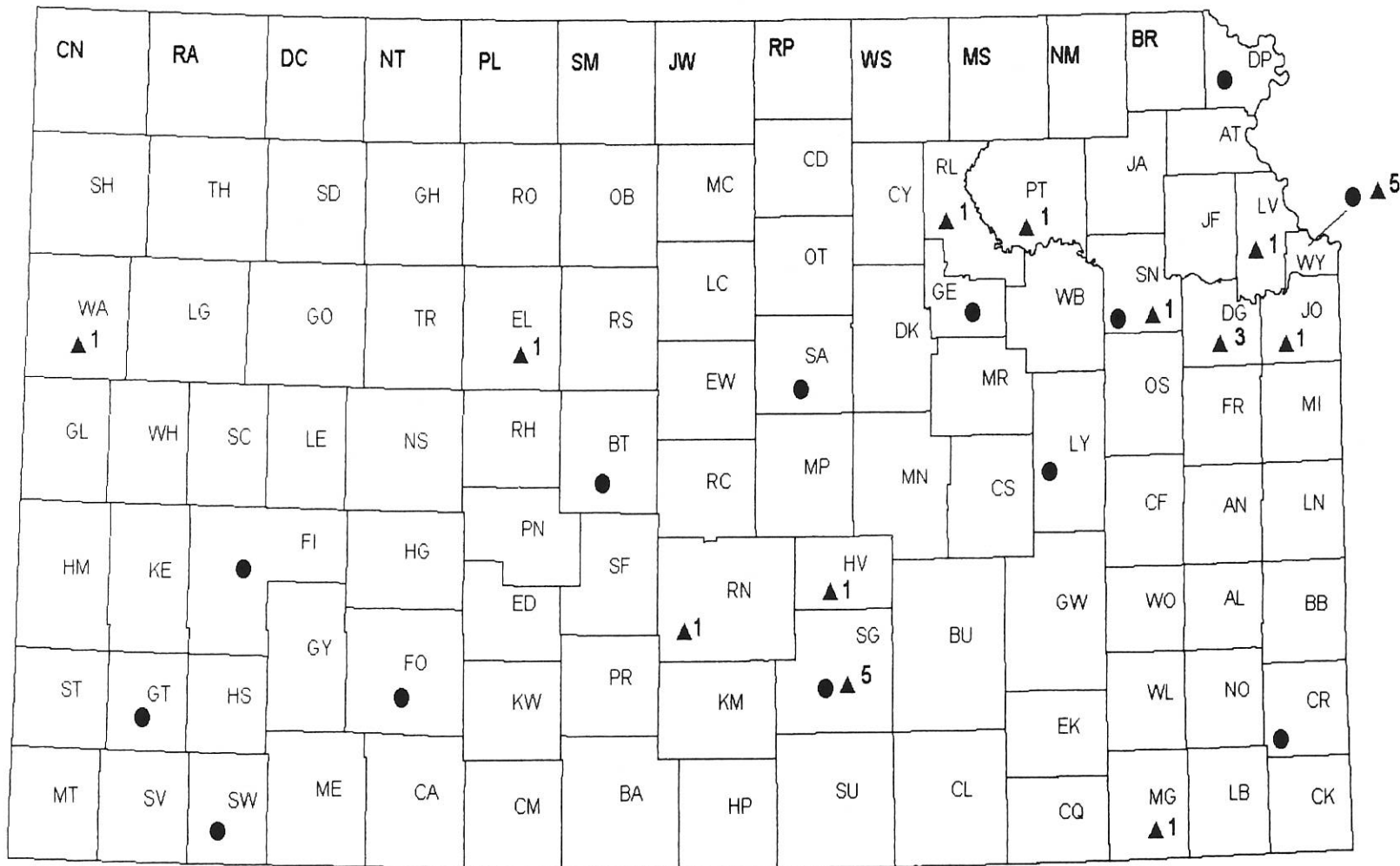
I am also so appreciative of Senator Vickie Schmidt who worked with me this summer to review, to advise and further broaden the scope of HB2578.

Currently we have approximately 40 states that have either enacted or have pending legislation. Our closest neighbor is Oklahoma and many of the basic ideas were obtained from their enacted legislation. However, one of the biggest differences between our legislation and theirs is Kansas will require the medications to have come from a "controlled environment", therefore an individual administering their own will not be allowed to donate. Nor will any controlled substance be allowed for donation.

In Kansas approximately 300,000 are uninsured and 70% are at 200% of the poverty level. Our 33 Kansas Safety Net Clinics and Community Health Care Centers across the state serve this population. I have enclosed a map of these locations for your review. Oklahoma estimates 7 million dollars of medications will be donated once their program is implemented state wide. I believe ours has the potential of saving millions as well.

This bill is good public policy. Continued rising costs and the availability of healthcare are of major concern for all of us. We as a legislature continue to work diligently towards providing good healthcare for all Kansans. This is a purely voluntary donation program and will be initiated and overseen by the Department of Health & Environment, the Department of Aging, and the State Board of Pharmacy.

I am excited about the opportunity to help our citizens and thank you for your time today. Mr. Chairman and Members of the Committee, I will stand for questions when the time is appropriate.



● Community Health Centers or Satellite
 ▲# Primary Care Clinics

**Kansas Community Health Centers (CHCs)
 and Primary Care Clinics**

Testimony on HB 2578
to
The Senate Committee on Ways & Means
by **Martin Kennedy**
Commissioner of Licensing, Certification and Evaluation

Jan. 31, 2008

Sen. Umbarger and members of the Senate Committee on Ways and Means, thank you for the opportunity to appear before you today in support of HB 2578/the utilization of unused medications act.

We appreciate the continued efforts of Rep. Wolf to bring together the agencies and interested parties affected by this proposal to iron out the details and reach consensus. KDOA was pleased to be included in the early discussion because central to this proposal was the question of whether either state or federal rules, regulations or statutes prohibited donation of unused medications by nursing facilities.

Currently, both state and federal regulations require facilities to dispose of discontinued or expired medications and biologicals. "Disposition" is defined as the process of returning, releasing and/or destroying discontinued or expired medications. As long as participation in the program is voluntary, current regulation would allow adult care homes to donate unused or medications as outlined in HB 2578.

The department will guide participating adult care homes in the development of internal policies and procedures for the donation of unused medications to a Kansas safety net clinic. KDOA will also educate adult care home surveyors that facilities may dispose of medications by donating unused medications to a Kansas safety net clinic. However, if a facility chooses to participate in the utilization of unused medications act, the facility cannot deny a resident admission if he or she chooses not to donate their unused medications.

Although the donation is permitted under the current regulation, the implementation of the program will require KDOA to promulgate additional regulations.

Also, we request one change to HB 2578. KDOA's focus should be on the "donation" of the medications, not the "transfer" of the medications, which we interpret to be the actual physical movement of the medication from the adult care home to the indigent health clinic. Section 7 (a)(1) directs the Board of Pharmacy to adopt rules and regulations for standards and procedures for transfer.

We would ask, then, that Sec 3(a) language be amended to read, "The department on aging shall adopt rules and regulations consistent with public health and safety through which unused

medications other than medications defined as controlled substances, may be **donated** by the adult care home that elects to participate in the program for which the purpose of distributing unused medications to Kansas residents who are medically indigent.”

With that minor amendment, I encourage you to support HB 2578. Thank you.



Kathleen Sebelius, Governor
Roderick L. Bremby, Secretary

DEPARTMENT OF HEALTH
AND ENVIRONMENT

www.kdheks.gov

Division of Health

**Testimony on
House Bill 2578
to the
Senate Committee on Ways and Means
Presented by
Barbara Gibson, Director, Primary Care Office
Office of Local and Rural Health
January 31, 2008**

Chairperson Umbarger and Members of the Committee, I am Barbara Gibson, Director of the Primary Care Section in the Office of Local and Rural Health in the Kansas Department of Health and Environment (KDHE). I'm pleased to appear before you today to provide comments on House Bill 2578, a bill to permit adult care homes and mail service pharmacies to voluntarily distribute unused medications to clinics that provide care to medically indigent patients in the state.

As health care and prescription drug costs continue to rise, many families across the state are forced with the choice of buying medications or meeting other needs such as food and shelter. This bill would allow unused and unexpired medications that have been kept in controlled storage units, and that are in their original sealed unit dose packaging or in an unused injectable syringe, to be donated to eligible indigent care clinics that would dispense the medications to medically indigent residents of Kansas. No controlled substances would be donated.

The indigent care clinics are an essential part of the medical safety net in the state of Kansas. Since 1991, KDHE has provided technical and financial assistance to these clinics through the Community-based Primary Care Clinic Grant Program. From the beginning, the mission of this Program has been to establish primary care clinics in high need areas throughout Kansas where poverty, lack of insurance, or inability to retain a private medical provider was a barrier to accessing continuous health care. Each clinic in the Program is community based and governed by a local board. The type of services provided, staffing and target areas are determined by locally-defined community needs and resources that vary from clinic site to clinic site. Recognizing the growing challenge of accessing affordable drugs for medically indigent Kansans, a prescription drug assistance program was created in 2005 to improve access to pharmaceuticals for patients served in public and non-profit primary care clinics. The state-supported clinics receive a total of \$750,000 to coordinate programs to distribute manufacturer's indigent drug programs and federal 340B pharmaceutical purchasing. This new program would provide another resource to ensure access to pharmaceuticals for those Kansans in need who use this critical safety net system.

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This bill calls for the Secretary of Health and Environment to maintain records of program participation including the number of facilities donating medications, recipient locations, the amount of medications received and the number of clients served. The state's primary care clinics have a mechanism for reporting statistical data through the Primary Care Clinic web-based reporting system developed by the Kansas Association for the Medically Underserved (KAMU). As such, we do not believe passage of the bill would require additional resources for program management.

Thank you for the opportunity to appear before this Committee. I will be happy to respond to any questions you might have.

Coordinating health & health care
for a thriving Kansas



Testimony on:
HB 2578: Utilization of Unused Medications Act

presented to:
Senate Ways and Means Committee

by:
Barbara Langner, Ph.D. Kansas Health Policy Authority

January 31, 2008

For additional information contact:

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State Self Insurance Fund:
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**Testimony to the Senate Ways and Means Committee
January 31, 2008**

**HB 2578: Utilization of Unused Medications Act
Marcia J. Nielsen, PhD, MPH, Executive Director Kansas Health Policy Authority**

Good morning Mr. Chairman and Committee members. I am Barbara Langner, Policy Director of the Kansas Health Policy Authority. Thank you for the opportunity to address the Senate Ways and Means Committee on the utilization of unused medications act, HB 2578. On behalf of the Authority I would like to express support for passage of the bill.

As discussed last legislative session on March 22, 2007 during the House Appropriations Committee meeting, representatives of the Kansas Health Policy Authority Pharmacy Program were involved in the drafting of HB 2578 ensuring that the bill is in line with the vision principles of our agency. In particular HB 2578 will improve access to care by providing medications to citizens through Federally Qualified Health Centers- citizens who may have been without medications. The bill promotes efficiency in health care by allowing adult care homes that participate in the utilization of the unused medications program to donate medications they might otherwise have discarded. As we indicated last session in our support of this bill, the Center for Medicare and Medicaid Services (CMS) requires that the state Medicaid agency be reimbursed when unused medications are restocked and reused and the current bill recognizes that policy.

The passage of this modified bill would not affect medications purchased under the Medicaid or SCHIP programs, which are required by state and federal regulations to be returned and credited to the state. These regulations are in place to protect the financial integrity of the Medicaid program and to curtail prescription drug waste. However, medications paid for by the Medicare prescription drug benefit can be donated by the beneficiary to state agencies and charitable organizations. We believe that this bill could potentially prevent the waste of unused medications purchased by private citizens or other third party health plans such as Medicare Part D, and in doing so, benefit the medically indigent population of the state of Kansas.

Thank you for this opportunity to present these comments. We would be happy to field any questions the Committee may have.

MARIAN CLINIC

healthier lives for the uninsured

Testimony on
House Bill 2578
Senate Ways and Means Committee
Presented by
Marilyn Page, LCSW, PhD, Executive Director
Marian Clinic

January 31, 2008

Senator Umbarger and Members of the Committee,

I am Marilyn Page, Executive Director of Marian Clinic, one of the thirty-three safety-net clinics in Kansas. I ask that you support House Bill 2578. The bill will allow adult care homes to voluntarily distribute unused medications to clinics such as Marian Clinic that provide care to medically indigent patients in the state.

Thank you for the big help you gave to clinics in 2005 when grant money was provided through KDHE to hire medication assistants. Our medication assistant enrolls patients in the pharmaceutical company programs that offer free name brand drugs to qualified individuals. The staff position and the programs have been a godsend. In the past year, our Clinic alone has secured – at no cost – meds with a market value of over \$700,000.

There are four ways that our patients who are uninsured get medicines at Marian Clinic: 1) samples, 2) Clinic purchased medicines, 3) free medications from the pharmaceutical companies, and 4) scripts for medicines which the patients pay to get filled.

First, about the samples . . . our volunteer physicians help us secure donated sample meds, but they are far less plentiful than in the past.

Second, about purchased meds . . . we have a small budget for some commonly needed medicines for acute medical problem such as infections.

Third, about the free medicines from the pharmaceutical companies . . . here is where the the medications from the adult care homes could help. There is a time gap between the first application for the pharmaceuticals and when patients' medications arrive. It can take four to six weeks to receive the first supply by mail. We frequently use the samples and our own purchases to help hold patients over until the mail orders come in.

Fourth, about patients paying for their own medicines with co-pays . . . this can work for some patients, but can be too expensive for many. Sixty percent (60%) of our patients fall into the lowest income category. This means they make no more than \$10, 210 a year if they live alone or no more than \$17,710 annually if it is a family of three.

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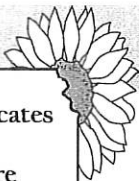
MARIAN CLINIC

healthier lives for the uninsured

When it comes to meds, time can be critical. Patients presenting with seizure disorders, hypertension or diabetes frequently need medications immediately or they will suffer serious complications.

Here is one true-life example that is not unusual . . . a 47-year-old patient with cardiac problems was hospitalized and underwent multiple procedures. He was dismissed from the hospital with seven prescriptions. Although most were common medications, we had only two of them on hand to help him out. He was eligible for the drug company programs, but waiting a month or more was dangerous for him.

Our Clinic exists to so that people will not be forced to postpone their health care because they have little money and no insurance. By passing House Bill 2578 you will be strengthening ability of safety net clinics to give timely care to patients in need. You may also help hospitals avoid the bigger financial burdens of uncompensated care, as people will get helped before they are desperately ill. There will be some extra documentation that the Clinic will assume, but we are willing to do so because so many more people that can be helped. I urge your support so that the clinics can be more effective in promoting healthier lives for the uninsured.



Kansas Advocates
for
Better Care

"Advocating for Quality Long-Term Care" since 1975

House Bill 2578 -- Utilization of Unused Medications Act

January 31, 2008

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Executive Director
Mitzi McFatrach, *Lawrence*

The Honorable Sharon Schwartz, Chair and
House Committee on Appropriations

Kansas Advocates for Better Care (KABC) strongly supports the concept of House Bill 2578 whereby unused medications are recovered and repackaged for distribution to indigent persons in need of medications.

KABC supports provisions contained in the proposed legislation that:

- provide for monitored, voluntary recovery and repackaging of unused, properly stored, safely packaged medications from adult care homes and that meet pharmacist approved safety guidelines,
- provide for redistribution of said medications to indigent care clinics and federally qualified health centers using guidelines developed and approved in consultation with pharmacist,
- provide for safe disposal of medications not appropriate for redistribution,
- provide for strong protection from civil and criminal liability for individuals operating in good faith when donating medications for reuse under the provisions of this act,
- charge the state board of pharmacy with developing rules and regulations for implementation of this act.

Other points of consideration:

- For broadest and most effective reuse of medications that meet the criteria of this legislation, provide a central reception and dispensing mechanism – a virtual or actual redistribution site. This would facilitate the largest number of medications being utilized by those in need of them.
- Maintain an high level in safety standards for the storage, transfer, repackaging and redistribution of donated medications for the well-being of the consumer recipient.
- That family members or guardians who authorize contribution of medication upon the death of a loved one, be included in the strong protection coverage under the act's language "any person who in good faith donates medications without charge..."
- Provide donation verification for the estate or person donating medication.

Thank you for this opportunity to stand with others of the health care community and consumer-based organizations to support this legislation. We urge the Committee to move this bill forward.

Respectfully,

Mitzi E. McFatrach

Executive Director, Kansas Advocates for Better Care

913 Tennessee Suite 2 Lawrence, Kansas 66044-6904

phone: 785.842.3088 fax: 785.749.0029 toll-free: 800.525.1782 e-mail: info@kabc.org website: www.kabc.org

Senate Ways & Means
1-31-08
Attachment 8



Kansas Association
for the
Medically Underserved
The State Primary Care Association

1129 S Kansas Ave., Suite B Topeka, KS 66612 785-233-8483 Fax 785-233-8403 www.kspca.org

House Bill 2578
Senate Ways and Means Committee
January 31, 2008

Cathy Harding
Executive Director
Kansas Association for the Medically Underserved

Madam Chairperson and Members of the Committee, thank you for the opportunity to offer comments in support of HB 2578. The Kansas Association for the Medically Underserved (KAMU) is an association of primary care safety net clinics who share the mission of increasing access to primary health care services, regardless of a patients' ability to pay. The Federally Qualified Health Centers (FQHC) and indigent health care clinics referenced in HB 2578 are KAMU members. These safety net clinics would be eligible to participate in the utilization of unused medications act by dispensing the medications to medically indigent individuals seeking care at the clinic.

A great need exists to develop tools that allow safety net clinics to increase access to health care services, including access to affordable medications. The program proposed in HB 2578 would provide another tool for clinics to use when working to make prescriptions drugs available to those unable to pay the full price. Prescription drugs play an integral role in providing comprehensive primary health care services. Approximately 166,000 uninsured or underinsured individuals were served by Kansas safety net clinics in 2006 (the most recent year for which statistics are available). This bill provides another potential avenue to increase access to health care services, and KAMU and its member clinics support it.

Safety net clinics currently make use of other programs through which they and their patients can gain access to free and reduced price prescription drugs. Twenty-five of our 33 member clinics offer pharmacy assistance programs. The program outlined in HB 2578 would require clinics to comply with rules and regulations about storing, distributing, and inspecting the drugs. Most clinics in a position to use the HB 2578 program would likely have similar compliance procedures in place already.

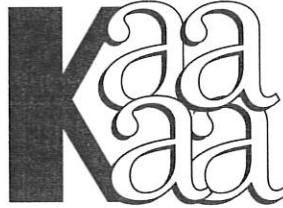
Making unused medications available for use instead of destroying them makes more efficient use of our scarce resources. This bill provides a method for doing just that. Such efficiencies make positive contributions to improving the entire health care system. HB 2578 also recognizes and addresses the need for prescription drugs among low income individuals who can not afford to pay for them.

Thank you for the opportunity to provide comments on behalf of KAMU member clinics in support of HB 2578.

Primary Care Safety Net Clinics - A Good Investment

Senate Ways & Means
1-31-08
Attachment 9

KANSAS
AREA AGENCIES
ON AGING
ASSOCIATION



Meeting the Needs of Older Kansans

2910 SW TOPEKA BOULEVARD • TOPEKA, KS 66611 • 785-267-1336 • FAX - 785-267-1337

Senate Ways and Means Committee Testimony in Support of House Bill 2578

January 31, 2008

The Kansas Area Agencies on Aging Association (K4A) represents the 11 Area Agencies on Aging (AAA) in Kansas, who collectively serve all 105 counties of Kansas. In Kansas, AAAs are the “single point of entry,” coordinating the delivery of publicly funded community-based services. The Area Agency on Aging system is federally, state and locally funded and locally administered. Consequently, service delivery decisions are made at the community level, closest to the seniors needing those services.

The Area Agencies on Aging in Kansas are part of a national network of 655 AAAs. Area Agencies on Aging were established under the Older Americans Act (OAA) in 1973 to respond to the needs of Americans aged 60 and over in every local community. The services available through the Area Agencies on Aging fall into five broad categories: information and access services, community-based services, in-home services, housing and elder rights. Within each category a range of programs is available. The Area Agencies on Aging carry out their federal mandate as “the Leader” on aging issues at the local level. The Kansas Area Agencies on Aging Association works to improve services and supports for all older Kansans and their caregivers.

I appear before you today in complete support of House Bill 2578. The Kansas Area Agencies on Aging Association (K4A) believe this change could be very beneficial to seniors in Kansas who reside outside of a long-term care facility. House Bill 2578 would not only benefits seniors; it would benefit many Kansans who are considered medically indigent.

At last count, 14-16 states have either passed this type of legislation or were in the process of passing this type of legislation. Oklahoma passed similar legislation in 2004 and has been operating a prescription medication recycling program since 2005. Tulsa County has the only major operating program in the country. Most states that have passed the legislation are still working on rules and regulations or in the early stages of implementing a program.

Last January, I had the chance to travel to Tulsa County and spend the day with 4 of the 5 individuals who were responsible for the concept of prescription drug recycling program. Dr. George Prothro, a retired physician was the originator of the idea in Oklahoma. His inspiration for this type of legislation came from many years of seeing all of the costly prescription medications being destroyed, then knowing that so many others were going without medications.

While I was in Tulsa, I had the chance to tour the area containing all of the medications that came in from

AREA AGENCIES ON AGING:

CENTRAL PLAINS • EAST CENTRAL KANSAS • JOHNSON COUNTY • NORTH CENTRAL – FLINT HILLS • NORTHEAST KANSAS
NORTHWEST KANSAS • SOUTH CENTRAL KANSAS • SOUTHEAST KANSAS • SOUTHWEST KANSAS • WYANDOTTE – LEAVENWORTH

e-mail: k4aed@hotmail.com • WEBSITE: www.K4A.org

Senate Ways & Means
1-31-08
Attachment 10

the nursing homes in the area. I was amazed and a little sickened seeing all of the recycled medications. I was amazed because it really gave me a visual sense of how much medication was coming in and being used to better the lives of the medically indigent in Tulsa County. I was sickened thinking about across our state and country how much prescription medication is being disposed on a regular basis.

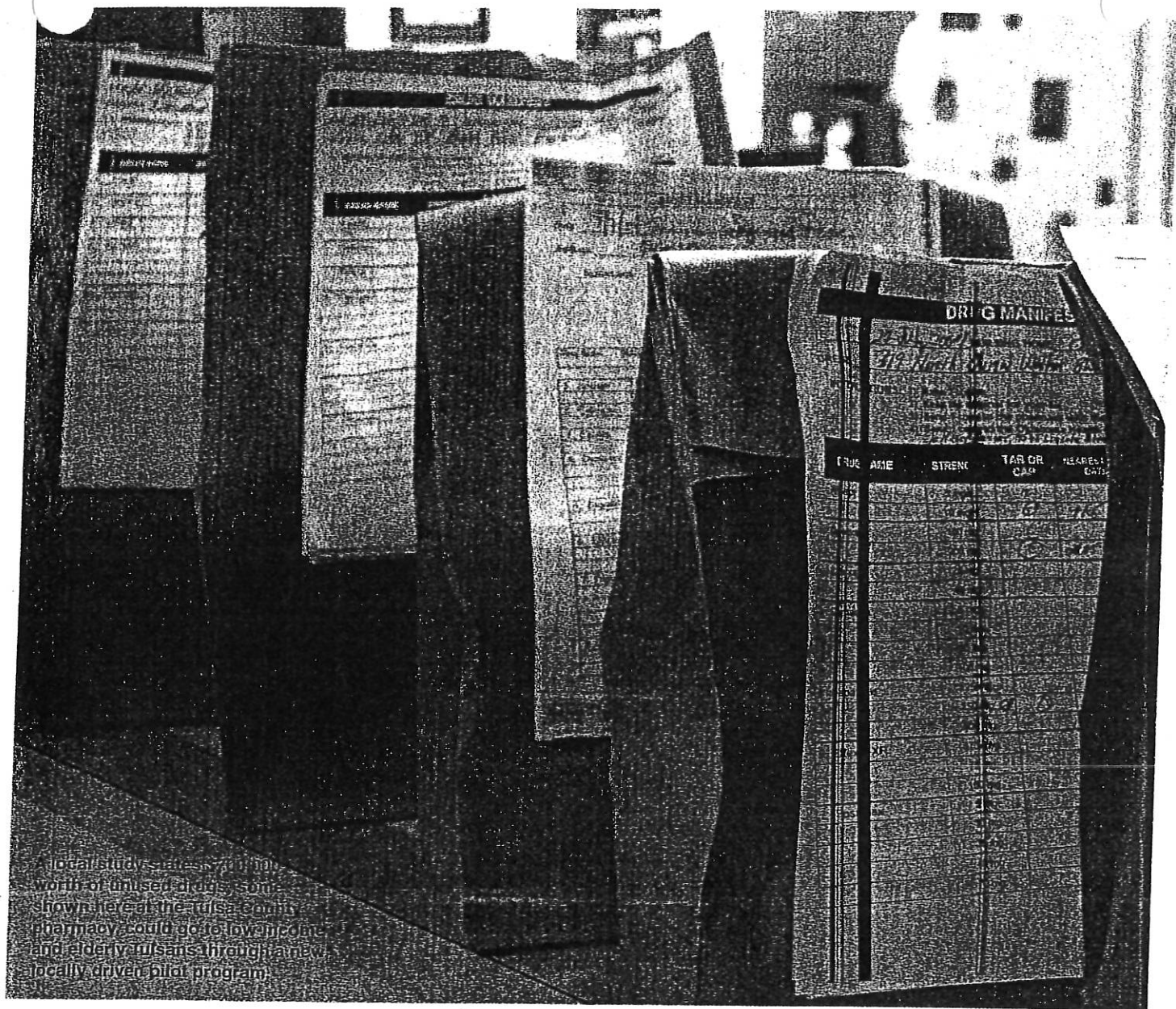
I've attached an article from Michael Lapolla, a health policy researcher from Oklahoma State University. In this article Mr. Lapolla estimated if Oklahoma recycled all prescription drugs from nursing homes across Oklahoma, nearly \$7 million worth of prescription medications would be recycled annually. His projection for Tulsa County alone was about \$1 million annually. During my trip to Oklahoma, Mr. Lapolla estimated that if this program was fully utilized statewide in Kansas, there would be approximately \$5.5 million worth of prescription medications recycled. This number is based upon Kansas allowing the same medications to be recycled.

Mister Chairman, there are many winners in House Bill 2578 – Citizens who are medically indigent win because this will be another source for medication for them. Nursing home staff win because they can use their time for better than to have to punch medication out of blister packs. All Kansans win because these medications will no longer be incinerated when they can be put to use for those in need.

House Bill 2578 is a first step in putting these unused prescription medications to better use. No one in Kansas benefits from these unused prescription medications being destroyed.

House Bill 2578 will not solve all of the prescription drug needs in Kansas but it has the potential to address some of these needs. For that reason, the Kansas Area Agencies on Aging Association asks that you to support **House Bill 2578.**

Craig Kaberline, Executive Director
Kansas Area Agencies on Aging Association



A local study states \$700,000 worth of unused drugs, some shown here at the Tulsa County pharmacy, could go to low-income and elderly Tulsans through a new, locally driven pilot program.

Rx recycling

A local study has resulted in a new law allowing unused prescriptions to be given away to the needy.

Canadian drug imports and the Medicare drug discount cards are symptomatic of a huge American problem. Prescription drugs are expensive.

According to the American Association of Retired Persons, drug costs are rising nearly three times the inflation rate. For the elderly on fixed incomes, increases like this can mean going without.

**Angie Jackson
d Missy Kruse**

But a pilot program in Tulsa and

Oklahoma Counties appears to have found a way to help more needy people, including the elderly, obtain the medicines they need.

Although its concept is simple, it has taken seven years for local health care and social service advocates to find a way to convince nursing homes, pharmacists and lawmakers of its efficacy.

The idea: Recycle unused and safety wrapped blister-pack drugs left at nursing homes when patients no longer need them.

According to a study by the University of Oklahoma Health Sciences Center for Health Policy, it could provide more than \$700,000 worth of additional — and free — prescriptions, which can be given to the needy at the Tulsa County pharmacy, proponents say.

Statewide it could provide \$7 million worth of additional free prescriptions, says Dr. George Prothro, one of those involved in proposing the legislation.

Although a number of people have been involved in the effort, Linda

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to our residents
as we are to Tulsa.



Bill and Bob Thomas with Senior Star residents.

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Senior Star Living®

Burgundy Place
(918) 299-0953

8887 S. Lewis Avenue
Tulsa, Oklahoma 74137

Woodland Terrace
(918) 250-3631

9524 East 71st Street
Tulsa, Oklahoma 74133

www.seniorstar.com



Johnston, Tulsa County director of social services; State Rep. Darrell Gilbert, Dr. Gerald Gustafson and Prothro have been credited with talking to various parties and working for the enabling legislation which passed in 2000. That legislation includes the two-county pilot program that will help identify any problems.

The pilot is actually going more smoothly in Tulsa, Prothro says, in part because the Tulsa County pharmacy, which distributes drugs at cost to the poor, is a "full pharmacy;" Oklahoma County's pharmacy provides only a few drugs. They are the only two county-wide pharmacies in the state.

Other Oklahoma communities or counties will be able to institute their own

versions of the recycling program in January 2005. Participation by nursing homes, communities and pharmacists is voluntary. Already, other states are inquiring about how this plan works.

Under the pilot program, 25 drugs are allowed to be recycled if the drugs are in blister packs — individually encased pills that thwart tampering. The Tulsa County pharmacy distributes the recycled pills. The aim is to use the cache of free medicines before providing drugs at cost, Prothro says.

“But even at cost, many cannot afford their meds,” Johnston says. “Medicaid pays for only three prescriptions per month. Others without medical insurance are desperate. I have seen patients cry when they learn that their medications are free.”

However, the pilot was difficult to establish. Fifty nursing home operators in Tulsa County had to be convinced they would not be liable for mishaps or added paperwork. The Oklahoma

Board of Pharmacy had to be assured that medicines would stay pure and that distribution would be safe.

The genesis of the idea, however, belongs to The Committee on Concerns of Older Tulsans, a subgroup of the Tulsa County Medical Society.

Committee members read a report by Michael Lapolla, co-director of the Center for Health Policy. The report stated that \$708,000 worth of medicines are thrown away from nursing homes every year in Tulsa County.

“Nursing homes pay pharmacists to destroy leftover pills,” Prothro says. “They are flushed down the toilet or incinerated. Both methods pollute.”

After visiting with nursing home operators and pharmacists about what might be entailed, “We discovered that only legislation could change the bureaucratic red tape that stymied this simple recycle idea,” Gufstason says.

In 2003-2004, the county pharmacy filled 34,537 prescriptions at cost, helping 16,454 low-income Tulsans. The free, recycled drugs will

Continued on p. 84.

Prescription costs — who is hurting?

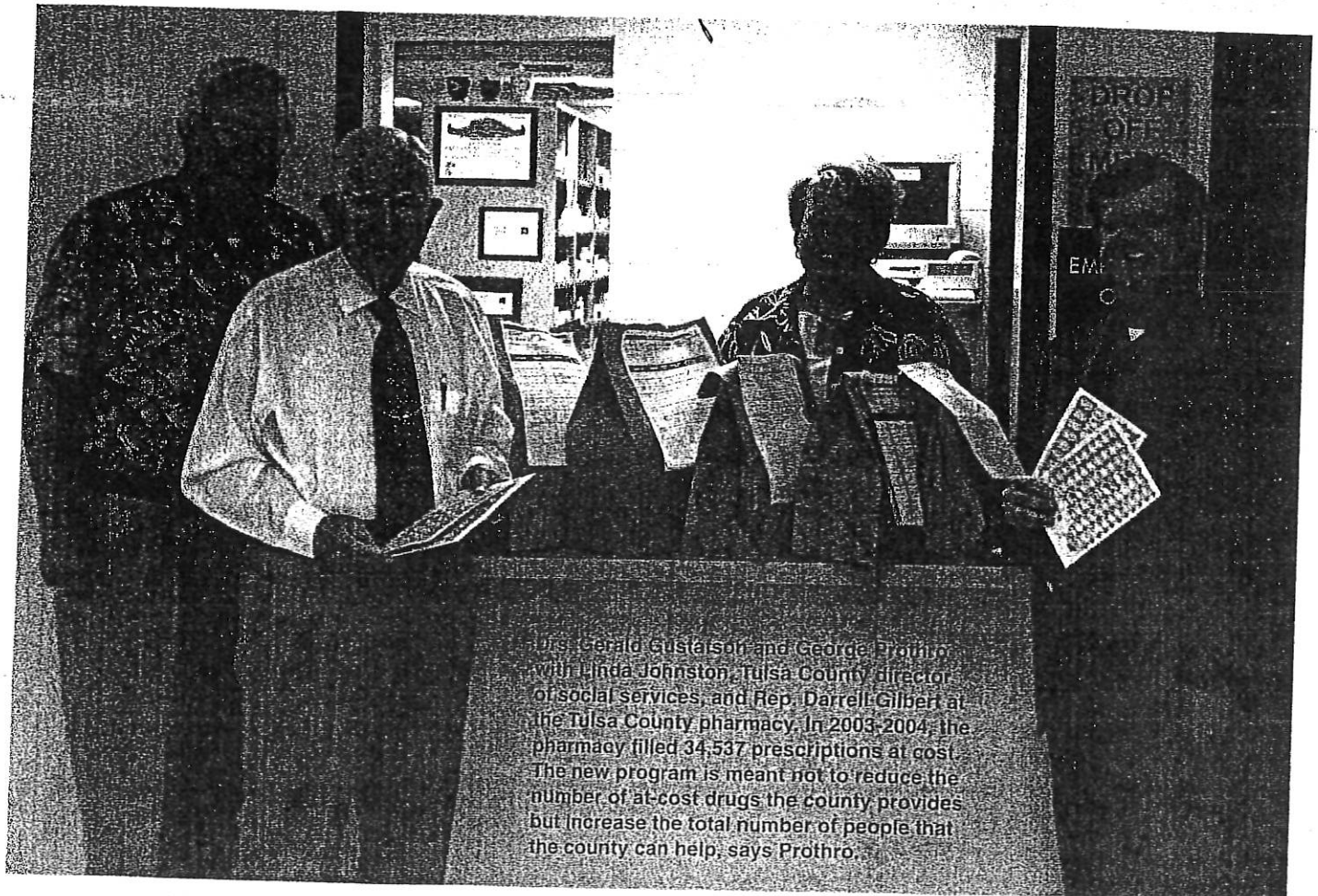
For 71 percent of people over age 65, paying for prescription drugs is a problem, according to an AARP survey.

Of the 2,747 people questioned in a mailed survey in April, 35 percent said prescription costs were a “major problem;” another 36 percent said it was a “minor problem.” The survey sample involved those who take an average three prescription drugs a day. Although the sample represented a variety of income levels, 70 percent of those surveyed were receiving some type of assistance in paying for their medications.

Other survey findings:

- Individuals most likely to say that buying prescriptions drugs is a major problem are those with incomes below \$18,000 annually. Those individuals comprised 40 percent of the survey.
- Older, low-income, widowed women were most likely to report major difficulties in paying for their monthly prescription drugs.
- About seven in 10 with monthly out-of-pocket expenses more than \$200 routinely ask for generic drugs.
- 56 percent favored legalizing prescription drug purchases from Canada.

Source: AARP Web site



Rep. Gerald Gufstason and George Prothro with Linda Johnston, Tulsa County director of social services, and Rep. Darrell Gilbert at the Tulsa County pharmacy. In 2003-2004, the pharmacy filled 34,537 prescriptions at cost. The new program is meant not to reduce the number of at-cost drugs the county provides but increase the total number of people that the county can help, says Prothro.

"I have seen patients cry when they learn that their medications are free."

-Linda Johnston
Tulsa County director of social services

Continued from p. 82.

allow the county to help more people, Prothro emphasizes. It is not meant to reduce the amount of at-cost drugs that the county purchases and provides to qualifying residents.

The county recoups about 50 percent of its pharmacy budget, which includes pharmaceuticals, either from the consumer or from an agency which covers the consumer's costs, Johnston says. But the amount of pharmacy funds for drugs is going down.

In 2003-2004, \$429,202 was budgeted for pharmaceuticals; for the 2004-2005 fiscal year, it will be \$349,101; about an \$80,000 cut, she says. With increased demand, increased costs of meds and a reduced budget, the recycled drugs will become even more helpful, she adds.

The pilot program is limited to drugs for Alzheimer's, arthritis, edema, hypertension, angina and mental health disorders. However, the new legislation will cover any drug, except narcotics.

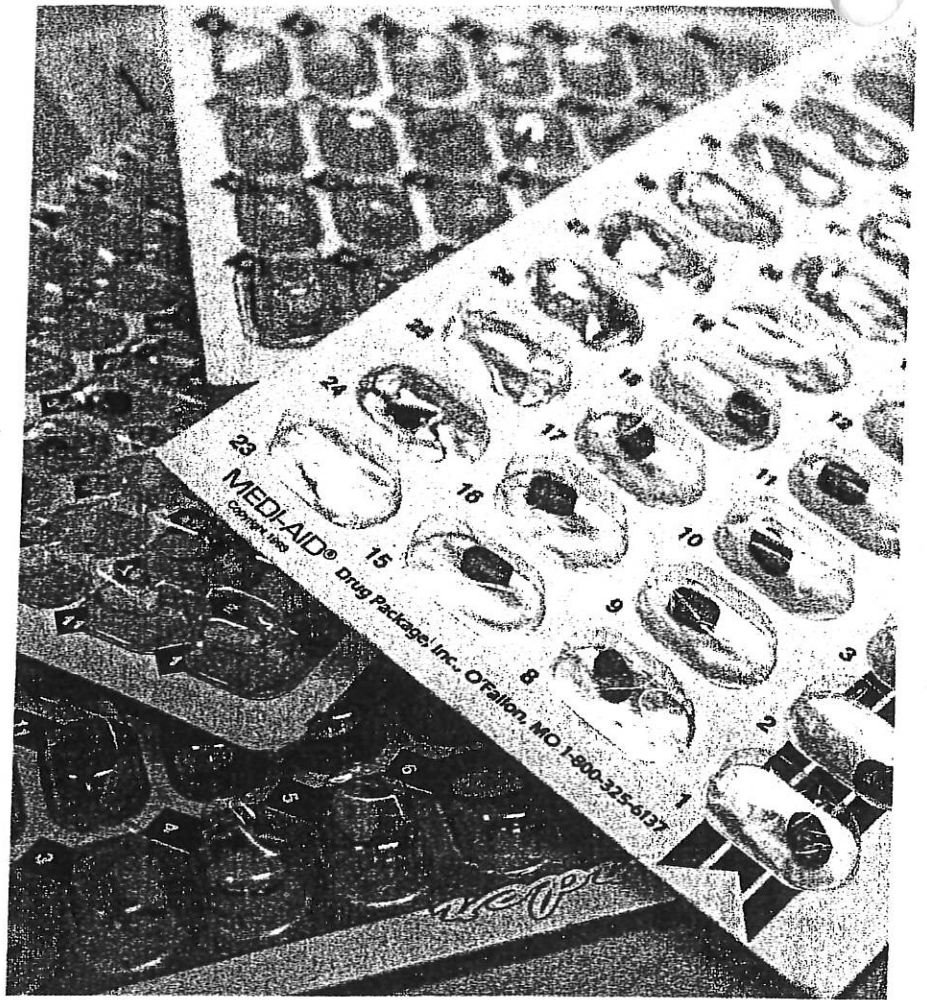
As tested under the pilot program, a pharmacist controls the movements of the drugs. Once the program is statewide, each community or county will work out its own method, but in Tulsa, retired physicians like Gufstafson and Prothro pick up the medications from the nursing home. After a manifest is logged, they deliver them to the county pharmacy.

"I arrived with eight grocery-size bags of meds the other day," Prothro says, "I felt great."

No matter how good they feel over their success, this group is not resting on its laurels.

"Not included in this legislation are much in-demand inhalers, and we want to open it up to generics, too," says Gilbert, who says he wants to see continued progress of their program.

"I represent a low-income area," he says. "Some of my constituents have had to choose between food and pills." ■



Drugs in blister packs like those above can be recycled through the new plan.

Drug prices outpace inflation

Drug prices are continuing to outpace inflation, according to recent studies by the American Association of Retired Persons.

A new study released in late June by AARP finds manufacturers' wholesale prices for the 197 brand name prescription drugs most frequently used by older Americans continued an upward climb.

Prices rose 3.4 percent during the three-month period ending March 31, 2004 compared to a 1.2 percent rate of general inflation for the same period. A previous study released in May showed drug prices rose a cumulative 27.6 percent in 2000-2003 compared to a general inflation rate of 10.4 percent.

The latest report, "Prescription Drugs Used by Older Americans - First Quarter 2004 Update," is the first quarterly update in an ongoing study of changes in prices that drug manufacturers charge wholesalers. The baseline study covered 2000-2003.

Researchers are focusing on manufacturers' price to wholesalers because it is the most substantial component of a prescription drug's retail price, the AARP report notes.

The study, published by the AARP Public Policy Institute, found that 29 percent of the drugs studied had increases in the first quarter of 2004 of more than 5 percent, or more than four times the rate of inflation for the same period.

First quarter increases of more than 7.5 percent were found in almost 11 percent of the drugs.

Of the 25 brand name drugs with the greatest sales in 2003, nearly two-thirds had price increases in the first quarter of 2004.

The study was released in tandem with the latest issue of the "Rx Watchdog Report," a newsletter directed at consumers. The newsletter provides information about pricing issues as well as legislative and legal actions focused on making drugs more affordable.

For more information, visit the AARP Web site: www.aarp.org.

Tulsa County Medical Pharmacy Recycled Medication Program

2401 Charles Page Blvd Tulsa, Oklahoma 74127
Phone: (918) 596-5560 FAX: (918) 596-5562

2006

	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTALS
# of Scripts	846	810	900	801	981	1,047	1,048	942	899	972	919	787	10952
AWP Value	\$ 100,606	\$ 56,861	\$ 70,562	\$ 66,434	\$ 69,970	\$ 83,197	\$ 83,105	\$ 56,843	\$ 57,544	\$ 60,760	\$ 93,314	\$ 74,472	\$ 873,668
Donations	21	20	28	17	24	17	15	21	17	24	18	19	241
# of Transports	21	20	28	17	24	17	15	21	17	24	18	19	241
# of Doctors	20	20	26	10	14	13	10	16	14	16	13	9	181
# Picked Up by Others	1	0	2	6	9	3	5	4	3	8	3	3	47

Tulsa County Medical Pharmacy

Recycled Medication Program

2401 Charles Page Blvd

Tulsa, Oklahoma 74127

Phone: (918) 596-5560 FAX: (918) 596-5562

2005

	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTALS
# of Scripts	75	111	230	344	446	540	643	724	810	734	708	749	6114
AWP Value	\$ 24,970	\$ 13,990	\$ 26,720	\$ 44,834	\$ 46,690	\$ 84,049	\$ 68,760	\$ 108,478	\$ 181,450	\$ 186,730	\$ 282,407	\$268,590	\$ 1,337,668
Donations	1	8	11	14	12	12	15	20	19	14	14	16	156
#ofTransports	1	8	11	14	12	12	15	20	19	14	14	16	156
# of Doctors	1	8	11	11	10	12	11	13	11	10	10	12	120

MANIFEST

DRUGS DONATED TO PARTICIPATING PHARMACY

Under provisions of the Oklahoma Utilization of Unused Prescription Medication Act

This manifest consists of this page and the attached pages numbered _____ to _____

DONATING NURSING HOME

DONATING NURSING HOME _____

Address _____

Phone _____ Fax _____

Email _____

Signature of Consulting Pharmacist _____ Date _____

Signature of Director of Nursing _____ Date _____

TRANSFER

TRANSFER

Signature of Releasing Nurse _____ Date _____

Signature of Transferring Agent _____ Date _____

RECEIVING PHARMACY

RECEIVING PHARMACY Tulsa County Pharmacy

Address: 2401 Charles Page Boulevard, Tulsa, OK 74127 Phone: 596-5561

Fax: (918) 596-5568 Email: Ljohnston@tulsacounty.org

Signature of Receiving Pharmacist _____ Date _____

Signature of Transferring Agent _____ Date _____

INSTRUCTIONS

- Make 2 copies of coversheet and attachments
- Retain 1 copy for 2 years
- Attach 1 copy to drugs for receiving pharmacy
- Notify Tulsa County Pharmacy at 596-5561 for pick up
- Pick-up should occur within 2 days

QUESTIONS?
Call 596-5561

MANIFEST OF PRESCRIPTION DRUGS DONATED (CONTINUED)

Page _____

NAME OF NURSING HOME _____

Date _____

	Name of Drug & Strength	Remaining Tabs, caps or ounces	Exp Date		Name of Drug & Strength	Remaining Tabs, caps or ounces	Exp Date
1.				21.			
2.				22.			
3.				23.			
4.				24.			
5.				25.			
6.				26.			
7.				27.			
8.				28.			
9.				29.			
10.				30.			
11.				31.			
12.				32.			
13.				33.			
14.				34.			
15.				35.			
16.				36.			
17.				37.			
18.				38.			
19.				39.			
20.				40.			

Over the Counter Medications MANIFEST OF DRUGS DONATED

Page _____

NAME OF NURSING HOME _____

Date _____

	Name of Drug & Strength	Number of cards or bottles	Exp Date		Name of Drug & Strength	Number of cards or bottles	Exp Date
1.				21.			
2.				22.			
3.				23.			
4.				24.			
5.				25.			
6.				26.			
7.				27.			
8.				28.			
9.				29.			
10.				30.			
11.				31.			
12.				32.			
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18.				38.			
19.				39.			
20.				40.			



OKLAHOMA STATE BOARD OF PHARMACY
 4545 Lincoln Blvd, Ste, 112, Oklahoma City, OK 73105-3488
 Phone: 405-521-3815 / Fax: 405-521-3758
 www.pharmacy.ok.gov
 e-mail: pharmacy@pharmacy.ok.gov

APPLICATION FOR DONATION OF UNUSED PRESCRIPTION DRUGS
(for Oklahoma Assisted Living Centers)

Date: _____ (Please Print Clearly)

Name of Assisted Living Center:

Address of Assisted Living Center:

Phone Number: _____

County: _____

Name of **Consultant Pharmacist** (please print):

Name of **Director of Nursing** (please print):

Name of **Person in Charge of Medications** (please print):

Medication room?Yes ___ No ___
 Locked cabinet?Yes ___ No ___
 Locked cart?Yes ___ No ___
 All prescription drugs kept under control of health care professional?Yes ___ No ___
 All prescription drugs kept in sanitary & temperature controlled conditions?Yes ___ No ___
 All prescription drugs kept in secure conditions (locked when not in use)?Yes ___ No ___
 All prescription drugs ordered by health care professional?Yes ___ No ___

Type of Drugs Anticipated for Donation: **Unit Dose** ___ **Unused Injectables** ___ **Other** ___

If other was indicated, please explain: _____

Pharmacy(s) intended for donation (name and address):

- (1) _____
- (2) _____
- (3) _____

Name and Title of **Person Completing Application** (please print):

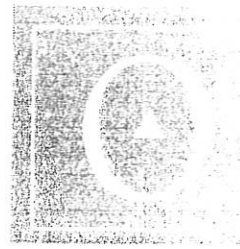
Name _____ Title _____

Consultant Pharmacist Printed Name and Signature:

Name _____ Signature _____

CENTER FOR HEALTH POLICY RESEARCH

COLLEGE OF OSTEOPATHIC MEDICINE
2345 SOUTHWEST BOULEVARD, TULSA, OK 74107



• PRESCRIPTION MEDICINES & NURSING HOMES •

A PROBLEM ... A SOLUTION



... that the Oklahoma legislature provide nursing homes and other similar facilities/organizations the authority to capture unused prescription medications; provided that these medications be voluntarily processed and forwarded to designated local dispensing pharmacies for reissue to medically indigent persons only ...

A Perspective

Every month ... in every nursing home in Oklahoma ... a small group of health care professionals will gather to destroy perfectly usable prescription medications. They will spend up to four hours methodically "punching out" pills, one at a time, from blister-packs of prescription medicines. These pills are flushed down toilets, burned in incinerators, or otherwise destroyed. The personnel costs alone of this exercise will likely exceed \$1 million. The value of the destroyed drugs is debatable, but is surely in the millions of dollars.

Why are they destroyed? Because nursing homes are complying with existing law. Where do these drugs go? Too often, they are flushed into our public water and sewer systems.

Every year, Oklahomans are asked to contribute to the Oklahoma Low Income Health Care Fund by income tax return checkoff. This appeal has raised less than \$40,000 per year. It would take between 50 - 175 years of income tax checkoffs to provide the amount of money that a single change in the law could provide in one year.

Problem Statement

Medications have historically been dispensed in ways to preclude responsible reuse. Contemporary medications are routinely packaged and distributed in ways to preclude tampering, and thus are available for responsible reissuing. The laws and policies governing these practices are clearly out of synch with contemporary packaging and distribution methods. Additionally, the nursing home workers interviewed for this

" ... The FDA has concluded that individual States, which have direct responsibility for regulating pharmacies, nursing homes, and LTCFs, are in a better position to make a determination on a case by case basis for the protection of their citizens ... " Jane E. Henney, M.D., Commissioner of Food and Drugs, August 21, 2000
(see Exhibit 10, Issue Paper Supplement for full text)

• We Conclude •

This proposal is clearly in the public interest and should not conflict with public safety. The FDA suggests that it may be accomplished via a single act of the Oklahoma Legislature.

According to a survey performed by the Texas Medicaid Pharmacy Program, Oklahoma is one of only 12 states that totally prohibits any form of re-use. There are 36 other states that allow some level of drug recycling. Louisiana restricts drug re-use to donations to free clinics, and has a policy similar to that proposed here.

In a single act, the Oklahoma legislature could provide millions of dollars for medically indigent people in Oklahoma communities.

We recommend that the Oklahoma Senate Interim Study Committee craft a proposed law for enactment in the 2001 legislative session.

Michael Lapolla, Director
OSU Center for Health Policy Research

Lisa Stell, Research Assistant
OSU Center for Health Policy Research

paper uniformly expressed dismay with the amount of waste required and expressed support for more creative and appropriate uses of the prescription drugs.

Oklahoma nursing homes and other health care organizations are legally required to destroy millions of dollars of unused prescription medications. Medically indigent Oklahomans may not receive necessary medications because of an individual inability to pay, or the inability of agencies to purchase medications for them. This contradiction would not matter if the wasted sums were small. They are not.

The Tulsa County Medical Society has provided state and national leadership to resolve this contradiction. The Society has received support and encouragement from the Oklahoma legislature, American Medical Association, the federal Food and Drug Administration, a host of Oklahoma-based professional organizations, and others in the development of a contemporary and responsible re-use policy.

Existing bureaucracies and processes have allowed restricted prescription drug re-use. There are 36 states with restricted re-use policies. There are only 12 ... and Oklahoma is one ... that allows no re-use.

Oklahoma should take immediate advantage of the freedom encouraged by the FDA and create the most flexible and responsible use policies for wasted prescription drugs.

Drugs and Nursing Homes

Few give thought to how prescription medications are obtained and dispensed in nursing homes. It is rare for a nursing home to have an on-site pharmacist available to fill prescriptions. The majority of prescriptions are filled by designated pharmacies that specialize in high-volume packaging, labeling, and distribution.

These pharmacies receive medicines in bulk from pharmaceutical manufacturers. Most medicines are in pill or gel cap form. The pharmacy repackages the medicines in "blister-pack" cards. Normally these medication cards have a one month supply of prescription medicine.

When repackaging these medications, "the blister pack medications are heat sealed. The UPS standard for an expiration date on these medications would be 6 months or 1/4 of the date listed on the original container." (Exhibit 4).

In the nursing homes, staff will dispense the medicines one dose at a time, while preserving the unused medicine. Upon a change in medication or the transfer/death of a patient, the unused medicines must be destroyed in accordance with existing law, and the policies and procedures of the facility.

It is these medications that could be reused.

Waste vs. Conservation

Our national health policy literature is marbled with laments of excessive and unnecessary waste, high costs, lack of services to the indigent ... and the uncoordinated efforts that cause them. Proposed responses too often require torturing already complex systems to the point of paralysis.

Our public policy practice is littered with outdated and contradictory practices that cause perceived waste, cost increases, and seem to complicate the delivery of services to the indigent. Oftentimes, these practices appear necessary to preserve the greater public good and public safety. Other times, they are simply artifacts of previous generations.

The perceived prohibition of the responsible reuse of prescription drugs is one of these anachronisms.

In the United States, we take great pride in the reuse of human hearts, corneas, livers, and kidneys. We have yet to muster the creativity and procedures to simply reuse perfectly usable prescription drugs in such a manner as to help many and harm no one.

Surely, it can be easily done. Surely, no one must sacrifice revenue or profits. Surely, this can be a win-win proposal. There appears to be no downside.

Pharmacy managers have indicated that the paperwork and tracking of reused drugs need not be complicated, and could likely be easily accommodated within existing control systems.

Table 1
Estimates
Unused Drugs in Nursing Homes

	Oklahoma	National
NH Patient Census	25,000	1,400,000
Value of Unused Drugs	\$2.3-7 M	\$73-378 M

Table 2
Oklahoma Nursing Homes
Estimated Mix of Destroyed Medications

Category	Percent
Antibiotics	25%
Hypertensives/Cardiac	25%
Analgesics	20%
Gastrointestinal	15%
Diabetes	10%
Other	5%
Total	100%

The Need?

The need for responsible reuse of prescription drugs was a non-issue a generation ago. At that time there were few effective outpatient drugs that made up only a sliver of health care expense. And distribution methods did not lend themselves to reuse models. Today is very different.

There are many powerful drugs that have helped to drastically reduce hospitalizations ... and increase productivity ... of the public. Prescription drugs have become a mainstream therapeutic tool of practitioners. Cardiac care, blood pressure control, diabetes management, disposition control ... are all positively impacted by pharmacology in ways not imaginable 25 years ago. At the same time, delivering necessary care to medically indigent people has become costly and difficult.

There are two ways to fund indigent care services. One is to collect and spend more public revenue. Another is to responsibly redirect wasted resources to indigent care. Consider the political difficulty in raising \$7 million dollars to provide needed medications for the medically indigent. It would be politically difficult.

Cost/Savings Estimates

The Center does not have the resources to conduct a real-time study of nursing home drug use and counts. Even if the funds were available, it is unlikely that important proprietary expense/cost information would be shared on a widespread basis. In any event, the exact amounts used/saved are unlikely to be as important as rational policy discussion and a reasonable estimate methodology.

One methodology is to create alternate savings scenarios using the best information available. Table 3 uses waste ratios from 4-15% ... and drug utilization data from the national average of ALL elderly people up to the amounts provided by a dispensing pharmacy manager based upon their sales.

The May 2000 census of Oklahoma nursing homes was 25,021 filled beds (Joe Lamkin, Oklahoma State Department of Health).

Given these assumptions, it is likely that the statewide savings will range from \$2.3 million up to \$7 million; savings in the Tulsa MSA will range from \$350 thousand to over \$1 million; and savings in the Oklahoma City MSA will range from over \$500 thousand to almost \$1.6 million. In reality, localized savings are most relevant as it is likely impractical to recapture all statewide waste.

It is estimated that the statewide personnel costs of this process approach \$1.5 million. If four professionals spend up to 4 hours per month destroying these products per 100 nursing home patients, at an estimated cost of \$30/hour, \$1.44 million will be incurred.

Previous Analyses

There are two reviews of this issue that are recent and relevant. One was conducted by the Texas Health and Human Services Commission per direction of the Legislature. It was released less than one month ago. The second was performed in Oklahoma in 1997 pursuant to HB 1130. The full text is in the Resource Supplement brief. An abstract and analysis of the published final reports are as follows:

Texas Study

The Health and Human Services Commission formed a workgroup to study the feasibility, benefits, costs, and legal issues of recycling unused nursing home drugs. This study was mandated by legislation enacted by the 76th Texas Legislature. The following is quoted verbatim from the study:

Background

The potential waste caused by destroying unused drugs prescribed for nursing home patients has been a public and legislative concern for over two decades. Continuing cost escalation of prescription drugs has promoted a re-evaluation of this multifaceted issue.

Conclusion

With the receipt of the FDA's policy clarification on recycling nursing home drugs, it does not appear to be cost effective for the State of Texas to implement a recycling program. The policy clarification stipulates that only manufacturer's prepackaged products are allowed in a recycling program. This restriction prevents the legal recycling of an estimated 80% of unused nursing home medications. However, it would be beneficial for the State of Texas to have current data on drug waste in LTCFs to determine a true cost/value analysis.

Recommendation

The workgroup recommends the State of Texas find a more comprehensive research study on the topic of recycling unused nursing home medications. This study would provide the additional information that is essential for performing a cost/value analysis. The workgroup recommends the study should:

- 1) Determine an accurate estimate of the value of unused drugs destroyed annually, including a breakdown by packaging and dosage forms;
- 2) Evaluate other states experience to determine costs for development and maintenance of recycling programs;
- 3) Identify selected clinical, administrative, and technological interventions that would reduce the incidence of medication waste and the feasibility of implementing these systems.

This recommendation, if implemented, would serve as an essential preliminary step in determining the feasibility of establishing a cost-effective prescription-recycling program in Texas.

Oklahoma Study

The following is quoted verbatim from the study:

Background

In 1997, the Oklahoma Legislature enacted House Bill 1130 which directed the Oklahoma State Board of Health in concert with the State Board of Pharmacy and the Oklahoma Health Care Authority to conduct a pilot program using anti-ulcer and antiarthritic medications to determine if the use of bubble pack units and the return and reissuance of unadulterated medications is cost-effective and administratively efficient.

Objectives

The purpose of the pilot program is to develop a system to study the number of anti-ulcer and antiarthritic medications destroyed by nursing facilities, to evaluate the costs related to these medications, and to determine the feasibility of returning the medications to the issuing pharmacist for reissue to other residents.

Conclusion

It was the consensus of the participants who evaluated the data, that based on this study, it is not feasible to return the medications to the pharmacy for reissue.

The total impact statewide was figured based on licensed beds rather than occupancy rate. Additional costs are likely to be incurred to maintain a system to ensure the integrity of the medications being returned. Medications returned to the pharmacy with short shelf life remaining may not in some cases be reissued by the pharmacy prior to the expiration date. These factors will reduce the net benefits of the overall effort.

Observation of Texas/Oklahoma Studies

The Texas study was recently completed and released in late August/early September 2000. Correspondence dated August 21, 2000 was included and discussed. This correspondence from the FDA seemed to provide states a newly franchised right to make local determinations concerning this issue. This is the first time that such latitude has been formally offered. Given the date of the letter, and date of the report release, it is unlikely that the new FDA position was fully explored and expanded.

The Oklahoma study was limited to anti-ulcer and antiarthritic medications of Medicaid patients in 12 Oklahoma nursing homes. Savings on a statewide basis were projected from this sample. It is unclear as to what proportion of all medications were represented by the anti-ulcer and antiarthritic medications. The statewide savings projected was \$253,000. This brief will not argue methodology of findings of that study. However, assuming the lowest of waste estimates and the lowest possible drug use figures ... it is arithmetically impossible that the two categories of drugs could comprise more than a fraction all stocked prescription meds in 2000. Additionally, pharmacology advances continually redefine the mix and costs of popular medications; and changing therapies also influence this mix.

It is suggested that the focus of that study was to recoup savings or rebates for the Medicaid program only in the two categories of medications proscribed. Given those restrictions, one may understand how theoretical recycling process may be thought to offer more cost than benefit.

However, providing the recycled drugs to a single outlet, in a specific area, may produce a different cost-benefit ratio. It is these circumstances that neither the Texas nor Oklahoma studies significantly address. And it is these features that make this Tulsa County Medical Society proposal both unique and feasible.

Analysis & Summary

This brief acknowledges the expertise and diligence of previous considerations given by Boards of Pharmacy and other regulatory agencies. That said, we believe this proposal has several unique features that deserve serious consideration.

This proposal differs from the study objectives in Texas and Oklahoma in two ways.

- (1) it is proposed that ALL medications be directed to single identified pharmacies (such as county operated pharmacies) for distribution to medically indigent patients only; and
- (2) we believe that simplified regulations may be crafted to allow counties and nursing home groups to either voluntarily participate in recycling to indigent pharmacies ... or continue to destroy the drugs ... whichever is most locally appropriate.

Value of Benefits

There are theoretical savings in every county in Oklahoma. However, these savings may not be "worth it" in low population density areas .. or areas where there are no collegial civic relationships or leadership.

On the other hand, the value to populous areas like Tulsa and Oklahoma counties will likely be significant, particularly if the savings are directed to a single redistribution pharmacy. It would be best if each county could determine the value locally, rather than having a statewide study group determine the value, or lack thereof.

Who Should Benefit?

Some believe that if "recycling" is allowed, it is the right of each patient or insurer to benefit from the recycling. This defeats the economy of scale, civic value, and logistical simplicity of this proposal.

It is likely that a major objection may arise for the principal payor for nursing home care, the Oklahoma Medicaid program. It is suggested that the Medicaid program will benefit much less than will county indigent pharmacies, and that the Oklahoma Health Care Authority exercise leadership in this area by encouraging voluntary and directed recycling to our most needy citizens.

Table 3
**Estimated Range
 Potential Savings in Oklahoma**
 Source for 25,021 Occupied NH Beds
 Oklahoma State Department of Health, May 2000

Prescription Drugs Per Patient Per Year

Waste	\$800	\$1,300	\$1,800
4%	\$800,672	1,301,092	1,801,512
7%	1,401,176	2,276,911	3,152,646
10%	2,001,680	3,252,730	4,503,780
15%	3,002,520	4,879,095	6,755,670

Tulsa MSA
 Tulsa, Creek, Osage, Rogers and Wagoner Counties

Waste	\$800	\$1,300	\$1,800
4%	123,456	200,616	277,776
7%	216,048	351,078	486,108
10%	308,640	501,540	694,440
15%	462,960	752,310	1,041,660

Oklahoma City MSA
 Oklahoma, Cleveland, Canadian,
 McClain, Pottawatomie and Logan Counties

Waste	\$800	\$1,300	\$1,800
4%	189,216	307,476	425,736
7%	331,128	538,083	745,038
10%	473,040	768,690	1,064,340
15%	709,560	1,153,035	1,596,510

Notes:
 Waste Percentages: The Texas State Medicaid Report provides several estimates of the percentage of prescription drugs destroyed. They are 4% (1991 Texas study); 6.7% (Massachusetts study in 1992); up to 10% (American Medical Directors Association). In addition, an informed Oklahoma pharmacy manager strongly believes that the waste may be up to 15%. The table above uses all four estimates.

Annual Drug Usage: HCFA Office of Strategic Planning reported that the average annual cost of prescription medicine for ALL Medicare beneficiaries in 1995 was \$600. It is not unreasonable to assume that cost would be up to \$800 in 2000. An informed Oklahoma pharmacy manager has reported that his organization will provide \$1,800 of medications per nursing home patient in 2000. It is not unreasonable to assume that the annual cost for nursing home residents will be between \$1,300 - \$1,800. Therefore these values are used in the above tables.

Savings: The estimated savings are calculated by multiplying the annual drug usage times percent wasted times nursing home census.

Findings
 The estimated range of potential "savings" is determined by the 7-15% waste estimate, and the \$1,300 - 1,800 annual use estimate. Given these assumptions, is likely that the statewide savings will range from \$2.3 million up to \$7 million; savings in the Tulsa MSA will range from \$350 thousand to over \$1 million; and savings in the Oklahoma City MSA will range from over \$500 thousand to almost \$1.6 million.

Policy Development Timeline

- 1961: the Oklahoma legislature enacted 59-353-24 that made it an unlawful act to reuse prescription drugs under any circumstances. (Exhibit 1, Resource Supplement)
- 1980: the federal Food and Drug Administration enacted a policy guideline stating a similar position. (see Exhibit 2, Resource Supplement)
- 1993: the Oklahoma legislature amended 59-353-24 to include "except as provided by the State Board of Pharmacy." (Exhibit 1, Resource Supplement)
- 1997: the American Medical Association passes a policy statement endorsing the responsible recycling of prescription drugs from nursing homes. (Exhibit 3, Resource Supplement)
- 1998: the State Board of Pharmacy denies having any authority to issue rules for reuse of prescription drugs. The Board cited state law, State Health Department rules, and FDA guidelines. (Exhibit 4, Resource Supplement)
- 2000 (Feb): the FDA states that "the agency would not object if sealed, tamper-evident, within-date medications are returned to the dispensing pharmacy by nursing homes or other LTCFs if the AMA requirements are met ..." (Exhibit 5, Resource Supplement)
- 2000 (May): the Oklahoma legislature did not act upon legislation proposed to create a Special Task Force to resolve this issue. Instead, the Senate President Pro Tem created an Interim Study Committee. (Exhibit 6-7-8, Resource Supplement)
- 2000 (Aug): The FDA writes that it "has concluded that individual States, which have direct responsibility for regulating pharmacies, nursing homes, and LTCFs, are in a better position to make a determination on a case by case basis for the protection of their citizens." (Exhibit 10, Resource Supplement)

Per the recent FDA letter, (Exhibit 10, Resource Supplement) it seems clear that the Oklahoma Board of Pharmacy has both the legal authority, and federal encouragement, to proscribe the policies for the responsible recycling of unused prescription drugs.

Perhaps it is best to enact a clear and defined law that supersedes all existing law, regulations, policies and rules. Many states have gingerly regulated some re-use. No state has yet addressed this issue comprehensively. Many have expressed interest in Oklahoma's leadership. Oklahoma could be, and should be, the first to recognize the net social value of this measure.

Table 4

Estimated Nursing Home Prescription Drug Potential Savings Per County

Source for NH Occupied Beds: Oklahoma State Department of Health, May 2000.

Expense is estimated to be a range of \$1,300 (lower) - \$1,800 (upper) per patient per year. See discussion at Table 3.

Savings is estimated to be a range of 7-15% of expense. See discussion at Table 3.

<u>County</u>	<u>Patients</u>	<u>Lower</u>	<u>Upper</u>	<u>County</u>	<u>Patients</u>	<u>Lower</u>	<u>Upper</u>
Adair	132	\$12,012	\$35,736	McCurtain	353	32,123	95,266
Alfalfa	77	7,007	20,799	McIntosh	224	\$20,384	\$60,436
Atoka	120	10,920	32,444	Murray	168	15,288	45,290
Beaver	45	4,095	12,220	Muskogee	747	67,977	201,751
Beckham	172	15,652	46,353	Noble	249	22,659	67,160
Blaine	182	16,562	49,149	Nowata	152	13,832	41,005
Bryan	337	30,667	90,938	Okfuskee	147	13,377	39,760
Caddo	245	22,295	66,176	Oklahoma	3,548	322,868	957,908
Canadian	474	43,134	128,032	OKC MSA	5,913	538,083	1,596,449
Carter	520	47,320	140,383	Okmulgee	423	38,493	114,236
Cherokee	286	26,026	77,176	Osage	184	16,744	49,741
Choctaw	162	14,742	43,696	Ottawa	240	21,840	64,765
Cimarron	32	2,912	8,771	Pawnee	75	6,825	20,259
Cleveland	884	80,444	238,776	Payne	434	39,494	117,075
Coal	64	5,824	17,228	Pittsburg	502	45,682	135,557
Comanche	498	45,318	134,382	Pontotoc	416	37,856	112,250
Cotton	72	6,552	19,553	Pottawatomie	487	44,317	131,551
Craig	172	15,652	46,431	Pushmataha	142	12,922	38,427
Creek	530	48,230	143,074	Roger Mills	26	2,366	7,037
Custer	248	22,568	66,951	Rogers	377	34,307	101,764
Delaware	390	35,490	105,195	Seminole	328	29,848	88,612
Dewey	120	10,920	32,348	Sequoyah	333	30,303	90,006
Ellis	52	4,732	13,970	Stephens	471	42,861	127,240
Garfield	876	79,716	236,651	Texas	66	6,006	17,916
Garvin	489	44,499	132,030	Tillman	131	11,921	35,361
Grady	356	32,396	96,007	Tulsa	2,625	238,875	708,846
Grant	89	8,099	23,934	Tulsa MSA	3,858	351,078	1,041,747
Greer	59	5,369	16,000	Wagoner	142	12,922	38,323
Harmon	92	8,372	24,796	Washington	355	32,305	95,920
Harper	44	4,004	11,854	Washita	185	16,835	49,854
Haskell	103	9,373	27,871	Woods	159	14,469	42,869
Hughes	250	22,750	67,387	Woodward	155	14,105	41,972
Jackson	247	22,477	66,734	State	25,021	2,276,911	6,755,766
Jefferson	147	13,377	39,707	County	Patients	Lower	Upper
Johnston	104	9,464	27,975	OKC MSA	5,913	\$538,083	\$1,596,449
Kay	346	31,486	93,411	Tulsa MSA	3,858	351,078	1,041,747
Kingfisher	166	15,106	44,933	Northeast	4,940	449,540	1,333,765
Kiowa	179	16,289	48,382	Southeast	4,412	401,492	1,191,371
Latimer	90	8,190	24,387	Northwest	2,457	223,587	663,477
LeFlore	417	37,947	112,546	<u>Southwest</u>	<u>3,441</u>	<u>313,131</u>	<u>928,957</u>
Lincoln	210	19,110	56,752	Totals	25,021	\$2,276,911	\$6,755,766
Logan	384	34,944	103,750				
Love	67	6,097	18,029				
Major	119	10,829	32,104				
Marshall	145	13,195	39,028				
Mayes	249	22,659	67,125				
McClain	135	12,285	36,433				

Testimony in Support
Of
HOUSE BILL No 2578
Presented by Frank Whitchurch, RPh
Manager of Pharmacy Operations
Prescription Solutions
Overland Park Kansas

Chairman Umbarger,
Members of the Senate Ways and Means Committee:

I wish to begin by expressing my thanks to this committee for allowing me to add my voice to those expressing support for this legislation.

My name is Frank Whitchurch. I am a licensed Kansas pharmacist serving as Manager of Pharmacy Operations and Pharmacist in Charge at Prescription Solutions in Overland Park, Kansas. Our company is part of the Mail Services division of United Health Group.

As you may be aware, we serve many patients across the nation. We deliver medications directly to our patients using a variety of common carriers—most of our deliveries are via the United States Post Office.

In the course of business, we find ourselves, as do all pharmacies, in situations where we have filled prescriptions for patients who for various reasons have changed their mind about wanting the medication. In some cases their doctor has changed the course of therapy while in other cases they are feeling better and decide they no longer need the medication. Sometimes they do want the medication but give us the wrong mailing address or the common carrier delivers it to the wrong address.

In a mail service environment, when unanticipated changes occur the medication is often on its way to the patient and in the possession of the common carrier.

In many of these cases, patients return the medications to us after receiving them. Our company policy is to destroy the returned medications.

We destroy the medications despite the fact that we ship them in the manufacturer's original packaging or in heat sealed vials both of which are tamper evident. It is our policy to destroy any drug that is received by the patient and returned.

I would now like to provide members of the committee with examples of our tamper evident packaging.

When we became aware of Representative Kay Wolf's sponsorship of House bill 2578, the professional staff at our pharmacy saw an opportunity to make a

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Attachment II

difference for patients in our home state. Rather than destroy these medications, we would like the opportunity to donate them through this legislation.

As you can see from our packaging, the risk to a patient is very small and the benefit to those who cannot afford to buy the medications is large.

Representative Wolf has crafted this legislation in such a fashion that mail service pharmacies along with adult care homes may donate unused medications to indigent care facilities.

On behalf of the management and pharmacists of Prescription Solutions please accept our testimony in favor of this legislation.

I would now be happy answer any questions or address any concerns the committee might have.



To: Senate Ways and Means Committee
From: Mary Sloan, Director of Government Affairs, KAHSA
Date: January 31, 2008

Testimony in Support of House Bill 2578

The Kansas Association of Homes and Services for the Aging (KAHSA) represents 160 not-for-profit nursing homes, retirement communities, hospital long-term care units, assisted living facilities, senior housing and community service providers serving over 20,000 older Kansans every day.

We ask for your support of House Bill 2578, which would enable unused medications:

- To be salvaged (instead of being destroyed).
- To be made available for use by indigent persons – enabling those doing without needed medication to obtain it.
- To save the state a significant amount of money – helping to curb Medicaid spending.
- To address concerns related to potential environmental contamination.

Thank you for your favorable consideration of House Bill 2578.

I will be pleased to answer any questions you may have.

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KANSAS

KANSAS BOARD OF PHARMACY
DEBRA BILLINGSLEY, EXECUTIVE DIRECTOR

KATHLEEN SEBELIUS, GOVERNOR

Testimony concerning HB 2578: Unused Medication Act
Senate Ways and Means Committee
Presented by Debra Billingsley
On behalf of
The Kansas State Board of Pharmacy
January 31, 2008

Mister Chairperson, Members of the Committee:

My name is Debra Billingsley, and I am the Executive Secretary for the Kansas State Board of Pharmacy. Our Board is created by statute and is comprised of six members, each of whom is appointed by the Governor. Of the six, five are licensed pharmacists and one is a member of the general public. They are charged with protecting the health, safety and welfare of the citizens of Kansas and to educate and promote an understanding of pharmacy practices in Kansas.

The Board of Pharmacy applauds the legislature's attempt to provide free or low-cost medications to the uninsured or underinsured citizens of Kansas. The Board would like to ensure that there is a safe distribution of drugs from the manufacturing level to the end user. This bill does not provide a true involvement of the pharmacist at every level and at a minimum uses the Board of Pharmacy for technical assistance. This bill was patterned off of an Oklahoma statute which uses a completely different model in their state. The drugs in Oklahoma are coming from state owned facilities and therefore, the scrutiny would not need to be so great.

There currently exists a Cancer Drug Repository that outlines the oversight of donations of unused medication necessary to protect patient safety. The existing language for the Cancer Drug Repository is restrictive, but we would suggest exploring the possibility of expanding the language of the current program to include other unused medications that can be safely re-used; and work with safety net clinics to ensure their use. Wisconsin experienced a similar issue with their Cancer Drug Repository and eventually added other drugs to be donated and used. They found that this was successful. Current Kansas regulations would require minimal change to enable this.

Lastly, the Board is concerned that HB 2578 includes eligible medications from all adult care homes. This would include Assisted Living Facilities in which, most residents are in control of their own medications. Likewise, this is true for some mental health group homes which are also included in the definition of Adult Care Home. The Board of Pharmacy would suggest that eligible medications be limited to those institutions where the medication has not reached the end user (e.g. the patient) and has been under the control of the institution.

Page Two
January 31, 2008

The Board of Pharmacy applauds Rep. Wolfe's and others' efforts to ensure medications can be safely re-used by safety net and indigent care clinics. We look forward to participating in these efforts to ensure the safe and secure distribution of medications, including, pharmacy oversight at all levels to ensure protection of public health and safety.

Thank you very much for permitting me to testify and I will be happy to yield to questions.



Kansas Pharmacists Association
Kansas Society of Health-System Pharmacists
Kansas New Practitioners Network
1020 SW Fairlawn Road
Topeka KS 66604-2275
Phone 785-228-2327 ♦ Fax 785-228-9147 ♦ www.ksrx.org

January 30, 2008

The Honorable Dwayne Umbarger, Chairman
Senate Ways and Means Committee
Statehouse, Room 123-S
Topeka, Kansas 66612

Dear Senator Umbarger:

Thank you for allowing the Kansas Pharmacists Association to comment on HB 2578, the Utilization of Unused Medications Act. As you know, this bill would authorize unused drugs, other than drugs defined as controlled substances, to be transferred voluntarily from adult care homes to indigent care clinics so that the clinics may dispense the donated medications to persons who are medically indigent residents of Kansas.

The Kansas Pharmacists Association has had a long-standing aim to lower costs of healthcare for our fellow Kansans, especially those less fortunate. We feel this bill will help in that endeavor, and thus have no opposition to the spirit of this legislation.

Our hope is that the regulations that are written ensure these medications are handled and distributed in a safe and effective manner under the supervision of a pharmacist. We feel the involvement of a pharmacist at each level of the distribution process is critical to the safe allocation of these medications. We will be very interested in watching how these rules and regulations are composed. It is our firm belief that the rules and regulations resulting from any legislation should and will be promulgated by the Kansas State Board of Pharmacy. It would be prudent to utilize the extensive expertise of the Board, and not have it serve simply in an advisory role for technical assistance. Thank you again for the opportunity to comment.

Sincerely,

Michael F. Larkin
Executive Director

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Attachment 14



Caritas Clinics, Inc.

Saint Vincent Clinic • 818 N. 7th Street • Leavenworth, KS 66048
Phone: 913-651-8860 Fax: 913-682-4409

Duchesne Clinic • 636 Tauromee • Kansas City, KS 66101-3042
Phone: 913-321-2626 Fax: 913-321-2651

**Written Testimony of
House Bill 2578
House Appropriations Committee**

**Submitted by
Amy Falk
Executive Director
Caritas Clinics, Inc.
(Duchesne Clinic in Wyandotte County
Saint Vincent Clinic in Leavenworth County)**

As the director of two safety net primary health care clinics, I am pleased to offer my support for House Bill 2578, a bill to permit adult care homes to distribute unused medications to clinics such as Caritas Clinics, Inc.

Caritas Clinics, Inc. is comprised of Duchesne Clinic in Wyandotte County, Kansas and Saint Vincent Clinic in Leavenworth County, Kansas. The clinics provide primary health care services to those individuals who have no form of medical insurance including Medicare and Medicaid or private insurance. Individuals receiving care at the clinics must live at or below 150 percent of the Federal Poverty Guidelines.

Having provided over 200,000 patient visits since their inception, Caritas Clinics seek to improve the health of the community, one patient at a time, and to provide primary medical care that helps patients become prevention oriented rather than disease oriented. Clinic patients are seen on-site by mid-level (i.e. physicians' assistants or nurse practitioners) staff providers or by one of more than 50 volunteer physicians.

It is estimated that over 65 percent of our patient population suffers from one or more chronic diseases such as hypertension, diabetes or depression. As such, medications needed to help control their conditions are in significant demand. While the clinics participate in the pharmaceutical companies indigent medication programs, there is a continual need for medication. Of note, the clinics access over \$120,000 worth of medications through these programs each month. If the needed medication is not accessible through the pharmaceutical companies indigent care programs, then in most cases, the patient is responsible to purchase the medication. More times than not, the patient cannot afford the medication, or has to choose between paying for medication or other necessities, such as food or rent. House Bill 2578 would provide the clinics with a much needed additional resource to meet the medication needs of our patients. Although each patient has a unique set of needs, there is no doubt that having access to additional medications would make a difference for many of our patients.

Further, it would be an efficient and productive use of resources to make these medications available, rather than destroying them. These medications could be used to help Kansans in need. On behalf of our patients, I ask for your favorable consideration of this bill.

818 N. 7th Street • Leavenworth, KS 66048 Phone: 913-651-8860 Fax: 913-682-4409
Affiliate of Sisters of Charity of Leavenworth Health System

Duchesne Clinic and Saint Vincent Clinic-United Way Agencies

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1-31-08
Attachment 15*

Testimony on HB 2578
"Utilization of unused medications act"
Senate Ways and Means Committee
January 31, 2008

My name is Laurel Alkire and I am the Executive Director for Senior Services, Inc. of Wichita. Our agency serves close to 10,000 older adults each year, providing services such as Meals on Wheels, grocery shopping services, job placement services, and respite care to seniors in the Wichita area. I would like to speak to HB 2578 concerning unused medications.

Seniors make up the largest group of consumers of medical services and users of prescription drugs. So many of our seniors are living on a limited income and struggle to make ends meet every day. With the high cost of medications, many seniors are forced to choose between purchasing prescriptions or paying the electric bill. We know that often times they are not able to afford their medication and will just go without!

HB 2578, which allows unused blister packed prescription medications from nursing homes to be given to federally qualified health centers for distribution to low-income individuals, makes a lot of sense. The fact that this unused medication is being "flushed down the toilet" seems absolutely wasteful. If low-income seniors could have access to available and much-needed medications that are available through organizations such as the Hunter Health Clinic here in Wichita, I believe we will be offering a much needed service to our seniors who have long gone without.

I believe that this bill will stop the practice of wasting perfectly good medications and make them available to some of the neediest members of our community. I urge your support.

Thank you

Laurel Alkire
Executive Director
Senior Services, Inc. of Wichita
200 S. Walnut
Wichita, KS 67213
316-267-0302, ext. 224

Senate Ways & Means
1-31-08
Attachment 16

MEMORANDUM

To: Senate Ways and Means Committee
From: David Randazzo, Executive Director
Date: January 29, 2008
Subject: TESTIMONY in SUPPORT of HOUSE BILL 2578

Claridge Court is a continuing care retirement community located in Prairie Village, Kansas. The community has 135 Independent Living Apartments and a 35 bed skilled nursing unit.

We support House Bill 2578 for the following reasons:

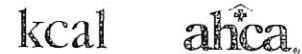
- As a health care professional for 11 years, I have witnessed first hand the extravagant wastefulness of medications being disposed of -- when there are many people who are in desperate need and can not afford these medications.
- This bill would allow organizations such as Claridge Court to stop having to use staff time to destroy valuable medications that we know indigent people need. For a facility with only 35 beds it requires 4 hours per month. Sometimes this work has to be done on an overtime basis.
- Based on the experience of other states who have implemented such programs, this bill could save Medicaid millions of dollars.

Thank you for this opportunity to provide testimony to the Ways and Means Committee on House Bill 2578.

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khca@khca.org E-mail



January 31, 2008

Ways and Means Committee

Chairman and Committee members:

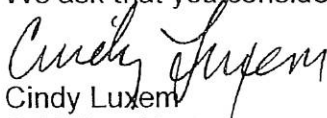
On behalf of the Kansas Health Care Association/Kansas Center for Assisted Living, representing a variety of senior living environments from skilled nursing homes, to independent senior living campuses, I thank you for the opportunity to provide support for House Bill 2578, the unused medications act.

The unused medications act is good public policy and will be a positive program for Kansans. KHCA/KCAL worked with Representative Wolf to create house bill 2578.

We have been in consultation with administrators and also pharmacists across our membership and they tell stories of medicines destroyed on a monthly basis. At this point the medications have to be destroyed by the consulting pharmacist and the nurse, or at the very minimum two licensed staff. We believe if given the opportunity facilities would rather see the meds donated instead of our "tax dollars" being tossed aside. And we are all taxpayers!

In the fact, that the Kansas Department on Aging has regulatory oversight of disposal of drugs and biologicals pursuant to KAR 28-39-156, we hope KDOA continues to work in a cooperative manner in the successful implementation of the unused medications act.

We ask that you consider this legislation positively.


Cindy Luxem
CEO/President
Kansas Health Care Association

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Attachment 18



Kansas State Office

January 31, 2008
Senator Dwayne Umbarger, Chair
Senate Ways and Means Committee

Reference: HB 2578

Good morning Chairman Umbarger and Members of the Senate Ways and Means Committee. My name is Ernest Kutzley and I am the Advocacy Director for AARP Kansas. AARP Kansas represents the views of over 369,000 members in the state of Kansas. Thank you for allowing us to provide written testimony in support of HB 2578.

Prescription drugs now prolong life, improve the quality of health, and/or replace the need for more intensive, often expensive medical treatments. Drugs have become an increasingly accepted part of daily life for many people, and public and private efforts to expand access to pharmaceuticals have increased.

Accompanying the increase in drug use has been a dramatic rise in prescription drug costs, both overall and in the rate of annual increases. Manufacturers' prices for widely used prescription drugs are rising at an average yearly rate that is more than double the rate of inflation. Prescription drug spending has increased at double-digit rates and this increase is projected to continue. This has led public and private purchasers to adopt a variety of cost-containment strategies.

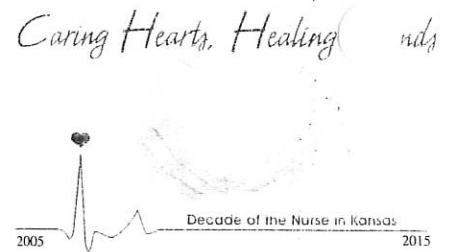
We believe that HB 2578 is an innovative approach to reducing the prices that some consumers must pay for prescription drugs and making them more accessible to all.

We would hope that any guidelines developed to allocate these drugs would keep any fees to a minimum and that possibly an annual report and/or periodic evaluation that would obtain feedback from practitioners, clinics, etc. about the utility and effectiveness of the programs be made available.

Thank you for this opportunity to express our support of HB 2578. We thank you for your thoughtful consideration and support of this important legislation.



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SUSAN BUNSTED, M.N., R.N.
PRESIDENT

THE VOICE AND VISION OF NURSING IN KANSAS

TERRI ROBERTS, J.D., R.N.
EXECUTIVE DIRECTOR

Contact Information: Terri Roberts J.D., R.N.
785.233.8638/ troberts@ksna.net
January 31, 2008

H.B. 2578 Utilization of Unused Medications

Written Testimony

Senator Umbarger and members of the Senate Ways and Means Committee, the KANSAS STATE NURSES ASSOCIATION supports H.B. 2578 and its implementation in Kansas. This bill would essentially replicate what is being done in twenty-six other states, all the states have some slight variation to their programs. Registered Nurses are often confronted with caring for clients, usually un-insured or on fixed incomes that cannot afford to purchase their medications and therefore do not take recommended prescription medications. This allows chronic and acute conditions to exacerbate and at times become life-threatening.

This bill provides an opportunity to recycle prescription drugs in a safe and effective manner to those in need and unable to afford them. The AMERICAN NURSES ASSOCIATION in 1999 recognized the potential that existed in establishing a recycling program for what at the time was considered "Medication Waste," particularly in long-term care facilities and recommended further study and advocating for changes that could make this a reality. Back in 1999 only Massachusetts had implemented a program on recycling prescription drugs at that point and had some data on cost savings from such a program. Kansans could benefit greatly from this program and Registered Nurses are eager to support it. Thank You.

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Attachment 20

1999 ANA HOUSE OF DELEGATES

SUBJECT: Medication Waste in Long Term Care Facilities
(Action Report)

INTRODUCED BY: Karen Daley, MPH, RN
President, Massachusetts Nurses Association

ACTION: The ANA House of Delegates agreed to:

1. Research the problem of medication waste in long term care facilities including the impact of prescribing practices and fiscal, regulatory, and reimbursement policies.
2. Develop a policy statement and template to assist the SNAs in preventing and decreasing medication waste in long term care facilities.
3. Advocate for changes, including but not limited to, federal regulatory changes required to reduce medication waste in long term care facilities.

EXECUTIVE SUMMARY: It is estimated that millions of dollars per year, per state are lost through the waste of unused medications in long term care facilities. This practice has a negative impact on health care costs and the availability of services to the elderly citizens of the United States. ANA proposes to study and make policy recommendations for the elimination of medication waste in long term care facilities.

RECOMMENDATION(S):

That the American Nurses Association:

1. Research the problem of medication waste in long term care facilities including the impact of fiscal, regulatory, and reimbursement policies.
2. Develop a policy statement and template to assist the SNAs in preventing and decreasing medication waste in long term care facilities.
3. Advocate for federal regulatory changes required to reduce medication waste in long term care facilities.

REPORT:

This report addresses the practice of medication waste in long term care facilities and its impact on residents, nurses, and long term care financing.

BACKGROUND:

Medication waste in long term care can be defined as the disposal of any medication which has been dispensed to a resident in a facility, but which has not been consumed by that individual. In 1987, Kidder reviewed 13 studies that addressed the magnitude of drug waste in long term care facilities. Cost estimates of medication waste ranged from \$1.52 per resident per month to \$5.67 per resident per month with an

unweighted average of \$3.12 per resident per month (in 1984 dollars). The American Medical Association's Council on Scientific Affairs expressed concern with this issue in its 1997 House of Delegates action titled "Recycling of Nursing Home Drugs". This policy statement noted that "The American Medical Directors Association physicians are acutely aware of the cost of medications in long term care facilities and believe that medication waste may be between 5% to 10% of the cost of medications dispensed in long term care facilities."

Medicaid reimbursement policies for financing long term care may contribute to the practice of medication waste. Long term care facilities are reimbursed only once a month by Medicaid for medications ordered from off-site pharmacies. Therefore, there are no financial incentives to order a smaller portion of a prescription until the resident can be reassessed for the appropriateness of the medication, dose, and route. These reimbursement policies have resulted in a practice of prescribing sufficient doses for a month, including newly prescribed medications. There is no current incentive for pharmacies to recycle unused medications. Recycling is costly and labor intensive.

Medicare's payment policies are focused on purchasing appropriate care efficiently. The shift from cost-based to prospective payments create an incentive for providers to reduce cost, making the prudent and non wasteful use of all resources a high priority. In this prospective payment environment, evaluations of the quality of medication use will need to move beyond simple descriptions of prescribing patterns and begin to measure the adverse clinical and economic consequences of medication waste.

DISCUSSION:

Efforts to decrease and eliminate medication waste are critically important. The experience of Massachusetts could be an indication of potential national savings. Preliminary studies estimate a loss of \$10 million health care dollars to medication disposal, while projecting an additional \$10 million need to expand medication access for the financially disadvantaged elderly.

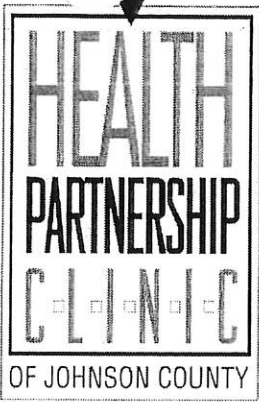
Nursing must initiate a national dialogue on the issue of medication waste and participate in designing solutions that protect the financing of health care. The recommendations must incorporate strategies that eliminate waste in prescribing practices and decrease the wasteful disposal of medications.

REFERENCES:

American Medical Association. (1997, February 1). Report on recycling of nursing home drugs. *Council on Scientific Affairs*.

Kidder, SW. (1987). Review of drug waste in long-term care facilities 1976-1983. *Journal of Geriatric Drug Therapy* 1(3), 35-47.

Past House Action(s):	1998 The Future of Medicare 1996 Maintaining Federal Quality Protections for Nursing Home Residence 1995 Changes in Medicare and Medicaid 1992 Long-Term Care 1986 Long-Term Care Commission 1982 Support for Recommendations of the White House Conference on Aging (WHCOA) 1976 Administration of Medications by Aides
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Testimony on

House Bill 2578

Senate Ways and Means Committee

Presented by

**Amanda Lowe, President and CEO
Health Partnership Clinic of Johnson County**

January 31, 2008

Chairperson Umbarger and Members of the Committee, I am Amanda Lowe, President and Chief Executive Officer of the Health Partnership Clinic of Johnson County. I appreciate the opportunity to provide my support for House Bill 2578, a bill to permit adult care homes to distribute unused medications to clinics providing care to medically indigent patients.

The Health Partnership Clinic of Johnson County provides affordable access to quality primary medical and dental care for Johnson County's low-income, medically uninsured residents through partnerships with medical, dental, volunteer and community resources. House Bill 2578 provides us another excellent opportunity to partner with adult care homes to utilize their unused resources for the benefit of our medically indigent patients.

As I have worked with the low-income, uninsured population for a number of years, I can speak from this experience of the plight some people face due to lack of access to medications to treat their diseases and the devastating consequences from lack of treatment.

Our clinic provides treatment for acute illnesses such as infections, viruses, and other ailments that might lead to missed school and work days. Additionally, the clinic provides treatment for chronic illnesses such as hypertension, high cholesterol, diabetes, asthma and other diseases that place a person at risk for severe health consequences without care. In fact, approximately 60% of our patient population suffers from a chronic illness. Our goal is to provide treatment and medications that will control their chronic conditions, and keep them from suffering long-term disabilities or premature death that often result from conditions left untreated. These chronic diagnoses generally require long-term medical treatment and maintenance medications. Since medical care without pharmacological therapy is almost useless, providing pharmacy support to our patients is critical. However, the costs of providing medications continue to increase. In 2006, the Health Partnership Clinic accessed more than \$669,000 worth of medications through Medication Assistance Programs offered through the pharmaceutical companies. While these

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programs are helping a great many people, from the application process to approval to shipment, a 6-8-week time period has lapsed before the patient actually has the medication, and not all medications are available. During this lag time, patients are then responsible for purchasing their own medications. More times than not, the patient cannot afford the medication and forgoes treatment until they receive the shipment. This 6-8 week period without drug treatment often jeopardizes the health of the patient and proves more expensive than the medications through lost productivity and avoidable health care costs.

A typical patient at the Health Partnership Clinic, Jane Doe, a 55-year-old white female is diagnosed with Diabetes Type II, hypertension, COPD, hyperlipidemia, and Gerd. Her medications include Albuterol, Vytarin, Zocor, Metformin, Hyzaar, Avandia, Cardizem, and Protonix. Retail cost would total approximately \$ 700.00 per month.

Despite general appearances of affluence, the number of Johnson County residents living in poverty is increasing. United Community Services of Johnson County (UCS), which monitors human service needs, offers statistics that reveal this other side of the story:

- The number of Johnson County residents living below the federal poverty level more than doubled from 1990 to 2005, increasing to 27,350 or 5.4% of the population.
- The largest increase in poverty is among adults age 18 to 64 – an 83% increase from 2000 to 2005.
- Three of five persons below the poverty level live in family households (4,615 households, or 3.5% of all family households).
- One in seven female-headed households with children lives in poverty;
- Approximately 34,718 residents are uninsured.
- The vast majority of residents living in poverty is working adults (two of three poor adults work) and is most likely to be female (Six of 10 poor adults age 18-64 are women).

House Bill 2578 would provide clinics with much needed resources to meet the medication needs of our patients. Assisting them in controlling their chronic conditions would reduce the need for non-emergent care in local emergency rooms and allow patients to be a productive part of their local workforce.

Additionally, it allows for the usage of resources, not the elimination of them. Adult care homes now must dispose of unused medications. This provides an opportunity for Kansans to help Kansans.

On behalf of those we serve at the Health Partnership Clinic and those that would benefit from the passage of this bill, I ask that it be approved.

**KANSAS CHILDREN'S CABINET AND TRUST FUND
CIF FY 2009 FUNDING RECOMMENDATIONS**

Program Name, Agency	Amount	Recommendation
Attendant Care for Independent Living,SRS	\$0	Remove funding, \$50,000
Children's Cabinet Accountability Fund	\$541,802	N/A
Child Care Assistance Program, SRS	\$1,400,000	Fund in FY09
Child Care Quality Initiatives, SRS	\$500,000	Fund in FY09
Children's Mental Health Initiative, SRS	\$3,800,000	Fund in FY09
Community Services for Child Welfare, SRS	\$3,492,101	Fund in FY09 with qualifications
Early Head Start, SRS	\$1,600,000	Fund in FY09
Family Centered Systems of Care, SRS	\$5,000,000	Fund in FY09
Family Preservation, SRS	\$2,957,899	Fund in FY09 with qualifications
HealthWave, KHPA	\$0	Remove funding, \$3,000,000
Healthy Start Home Visitors, KDHE	\$250,000	Fund in FY09 with qualifications
Immunization Outreach, KHPA	\$500,000	Fund in FY09
Infants and Toddlers Program, KDHE	\$1,200,000	Fund in FY09
Juvenile Graduated Sanctions Grants, JJA	\$3,420,470	Fund in FY09 with qualifications
Juvenile Prevention & Intervention Program Grants, JJA	\$5,579,530	Fund in FY09
Medical Assistance, KHPA	\$0	Remove funding, \$3,000,000
Pre-K Pilot, KCCTF	\$5,000,000	Fund in FY09 with qualifications
Reading and Vision Research, KSDE	\$300,000	Fund in FY09 with qualifications
School Violence Prevention, SRS	\$0	Remove funding, \$228,000
Smart Start Kansas, KCCTF	\$8,443,279	Fund in FY09
Smoking Prevention Grants, KDHE	\$1,000,000	Fund in FY09
Special Health Services, KDHE	\$0	Remove funding, 208,000
Telekidcare Project, KUMC	\$0	Remove funding, 250,000
Therapeutic Preschool Services, SRS	\$0	Remove funding, \$1,000,000

TOTAL funding RECOMMENDATION

\$44,985,081

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