

February 24, 2021

The Honorable Richard Hilderbrand, Chairperson
Senate Committee on Public Health and Welfare
Statehouse, Room 445A-S
Topeka, Kansas 66612

Dear Senator Hilderbrand:

SUBJECT: Fiscal Note for SB 168 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 168 is respectfully submitted to your committee.

SB 168 would amend the Kansas Prescription Monitoring Program Act by:

1. Defining and including audit trail information as confidential and privileged information within the K-TRACS system;
2. Allowing prescribers and pharmacists to designate delegates that could access and query the K-TRACS system;
3. Eliminating the waiver for submitting data to the K-TRACS program on paper;
4. Permitting the Advisory Committee to enable additional features in K-TRACS including date or fact of death, diagnosis code, dispensation or administration of naloxone, or overdose event information;
5. Expanding limited access to K-TRACS for impaired provider programs, individuals conducting research approved by an Institutional Review Board with individual patient consent, and an Overdose Fatality Review Board established by the State of Kansas;
6. Adding notification requirements to the Board of Pharmacy from prescribers, pharmacists, and regulatory agencies regarding prescriber, pharmacist, or delegate authorization to access K-TRACS;
7. Authorizing the Advisory Committee to make confidential referrals to the Kansas Department for Aging and Disabilities for treatment outreach for patients without an identifiable healthcare team or contact;
8. Authorizing the Advisory Committee to make referrals to the appropriate regulatory agency if a prescriber, pharmacist, or delegate has accessed K-TRACS data inappropriately;
9. Authorizing the Board of Pharmacy to block access to K-TRACS upon suspicion or knowledge of inappropriate access;
10. Eliminating the five-year maximum record-retention for the Board of Pharmacy and researchers and limiting storage of program data;

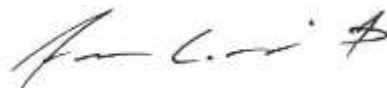
11. Increasing the number and nomination of members of the Advisory Committee; and
12. In the event federal grant funds are exhausted, authorizing the Board of Pharmacy to establish a fee-for-service program for the integration of K-TRACS data into electronic health records and pharmacy management systems, but not affecting free access to the basic K-TRACS software for all authorized users.

The Board of Pharmacy indicates that enactment of SB 168 would have no fiscal effect on the Board's expenditures as Advisory Committee members are not paid, and meetings are held electronically. Any program changes resulting from the bill's passage would be managed with existing staff. The Board indicates the bill could create an opportunity for further federal grant funding. Also, it is possible that the Board could implement a fee-for-service integration component if and when federal grant funds are no longer available for the integration program. Currently, the integration program is funded by a federal grant from the Kansas Department of Health and Environment through August of 2022.

To ensure adequate planning for continuation of this program beginning as soon as FY 2023, the Board recommends creating a fee-based structure for participants in the integration program, which could be activated if grant funding opportunities no longer continue. The Board proposes structuring these costs in a tiered system based on the facility type (pharmacy, physician clinic, hospital, or health system) and the number of users or utilization level at the facility. This approach would ensure that costs would be manageable for all facilities and not act as a deterrent for use of this K-TRACS feature. Additionally, the traditional K-TRACS software would remain available to prescribers and pharmacists free of charge. Based on the current number of facilities voluntarily participating in the INTEGRx8 program, the facility cost would likely range from \$500 to \$3,000 per year. The Board would provide the exact costs through administrative regulations in consultation with stakeholders and the Advisory Committee. Revenue would be deposited into the Board of Pharmacy Fee Fund, from which expenditures would be paid. Integration costs are estimated to be \$814,113 for FY 2022 and \$831,996 for FY 2023.

The Board of Nursing indicates that SB 168 would have a negligible fiscal effect on expenditures of the Board. The Board of Examiners in Optometry, the Board of Healing Arts and the Dental Board indicate that SB 168 would have no fiscal effect on the Boards, respectively. Any fiscal effect associated with SB 168 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Jan Murray, Optometry
Susan Gile, Board of Healing Arts
Jill Simons, Board of Nursing
Alexandra Blasi, Board of Pharmacy
Charity Carlat, Dental Board