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S.B. 95
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 95's Bill Analysis](#)

Version: As Passed by the Senate

Primary Sponsor: Sen. Reynolds

Local Impact Statement Procedure Required: No

Robert Meeker, Senior Budget Analyst, and other LBO staff

Highlights

- The State Board of Pharmacy will incur minimal costs to (1) adopt rules and then to regulate remote dispensing pharmacies, (2) license additional pharmacy technician trainees, and (3) oversee additional duties of its licensees, including those related to the operation of remote pharmacies and the expansion of administering certain permissible injections. Those costs can likely be absorbed by utilizing existing staff and appropriated funds.
- The State Board of Pharmacy will likely experience a gain in application fee revenues for additional pharmacy technician trainee applicants. Application fees credited to the Occupational Licensing and Regulatory Fund (Fund 4K90) will increase and offset, either in whole or in part, the additional administrative expenses incurred by the Board to oversee the additional trainees.
- The bill expands the list of drugs a pharmacist may administer by injection which may increase costs for state or locally funded pharmacies that choose to administer these drugs. However, costs could be offset by any reimbursements or payments received for rendering these services.

Detailed Analysis

The bill: (1) authorizes the operation of remote dispensing pharmacies and requires the State Board of Pharmacy to adopt rules governing the operation of such pharmacies and to subsequently regulate them, (2) allows the Board to register an applicant who is 17 years of age as a pharmacy technician trainee if the applicant possesses a high school diploma or certificate of high school equivalence, (3) expands the type of injections which a pharmacist is permitted to

inject, and (4) prohibits a health plan issuer, pharmacy benefit manager, or any other administrator from prohibiting a pharmacy from mailing or delivering drugs to patients.

Remote dispensing pharmacies

The bill provides for the regulation of remote pharmacies. The bill defines a “remote dispensing pharmacy” as one that dispenses drugs and drug therapy-related devices, counsels patients, and provides other pharmacist care under the purview of a supervising pharmacy and using a telepharmacy system. A “telepharmacy system” is defined as one that monitors the dispensing of drugs and provides for related drug utilization review and patient counseling services by an electronic method.

State Board of Pharmacy

Rulemaking

The bill requires the State Board of Pharmacy, not later than 18 months after its effective date, to adopt rules governing the regulation of remote dispensing pharmacies in accordance with Ohio’s Administrative Procedure Act. The one-time costs for the Board to adopt the required rules are likely to be minimal at most and absorbed by utilizing existing staff and appropriated funds.

If the Board fails to meet this deadline, the bill authorizes the Ohio Attorney General or a county prosecuting attorney to apply to a court of common pleas for a court order requiring the rules to be adopted. As the Board is expected to comply with the deadline for the adoption of rules, this provision should have no direct fiscal effect on the state or political subdivisions. However, if the Board fails to meet this deadline and the Ohio Attorney General or a county prosecuting attorney files for a court order, the one-time costs for the court of common pleas to adjudicate the matter, the Ohio Attorney General or county prosecuting attorney as plaintiff, and the Board as defendant should be minimal at most and easily absorbed into their respective daily operations.

Regulation

The number of remote dispensing pharmacies that may become operational after the bill’s effective date is unknown. However, to the extent that additional pharmacies or locations require oversight, the Board will experience some manner of ongoing annual operating costs related to inspections, investigations, and possible disciplinary action if warranted. It is anticipated that those costs will be minimal and likely absorbed by utilizing existing staff and appropriated funds.

Public/government hospitals and health care systems

Depending on the rules that will be promulgated by the State Board of Pharmacy, public/government hospitals and health care systems that operate a pharmacy could be impacted if their current operational plans include implementing a remote dispensing pharmacy. However, such plans would be undertaken voluntarily, and it is presumed that such entities would comply with any such rules enacted by the Board and as stipulated in the bill. It is expected that remote dispensing pharmacies could create certain efficiencies and cost savings in the health care delivery system as a whole, the magnitude of which is unknown and would depend on a variety of factors, including certain regional characteristics, the availability of brick and mortar pharmacies, and community needs.

Pharmacy technician trainees

Under the bill, the existing pharmacy technician trainee eligibility standards outlined in current law are broadened to include applicants who are 17 years of age and possess a high school diploma or certificate of high school equivalence. This provision could increase State Board of Pharmacy fee revenues, offset somewhat by increased administration and enforcement costs. The Board currently charges an initial application fee of \$25 for pharmacy technician trainees. Any money collected is credited to the Occupational Licensing and Regulatory Fund (Fund 4K90).

Administration of injections

The bill allows a licensed pharmacist to administer an injection of a human immunodeficiency virus treatment drug administered in a long-acting or extended-release form and any other drug permitted through rules adopted by the State Board of Pharmacy. Expanding the number of drugs a pharmacist can administer by injection may result in increased costs to state or locally funded pharmacies (e.g., those in public hospitals or local health departments) that choose to administer these drugs. However, any additional costs could be offset by any additional payments received for rendering the service.

Drug delivery

The bill prohibits a health plan issuer, pharmacy benefit manager, or any other administrator from prohibiting a pharmacy from mailing or delivering drugs to patients. If delivery costs are not recouped from the individual requesting delivery or mail service, there may be increased costs to state or locally funded pharmacies (e.g., those in public hospitals or local health departments) to provide this service. State and locally administered health plans are not expected to see any additional costs.