

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 28, 2009

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1924 by Heflin (Relating to the performance of pharmacy services in certain rural areas.),
As Passed 2nd House

Estimated Two-year Net Impact to General Revenue Related Funds for HB1924, As Passed 2nd House: an impact of \$0 through the biennium ending August 31, 2011.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2010	\$0
2011	\$0
2012	\$0
2013	\$0
2014	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	Probable Revenue Gain/ (Loss) from <i>General Revenue Fund</i> 1	Change in Number of State Employees from FY 2009
2010	(\$72,947)	\$72,947	1.0
2011	(\$56,118)	\$56,118	1.0
2012	(\$56,118)	\$56,118	1.0
2013	(\$56,118)	\$56,118	1.0
2014	(\$56,118)	\$56,118	1.0

Fiscal Analysis

The bill would authorize a nurse, pharmacy technician, or practitioner working in a rural hospital to withdraw a drug or device order prescribed by a practitioner when the hospital's pharmacist is not on duty or when the institutional pharmacy is closed. The bill would authorize the Texas State Board of Pharmacy to establish the record requirements to be made at the time the nurse, pharmacy technician or practitioner withdraws a drug or device, to adopt rules specifying the duties that may be verified by another pharmacy technician, and to adopt training requirements for pharmacy technicians regarding these provisions. The bill would not restrict or prohibit the Texas State Board of Pharmacy from adopting a rule governing the withdrawal of a drug or device by a nurse or practitioner from an institutional pharmacy not located in a rural hospital.

The bill would establish various provisions regarding the testing of compounded pharmaceutical products and confidentiality guidelines to be maintained by the Texas Board of Pharmacy. The bill would authorize the Board of Pharmacy to require a pharmacy to recall a compounded product and to release the results of the sample tests under certain circumstances. The Board of Pharmacy would be required to adopt rules to align existing rules with the provisions of the bill.

The bill would amend Section 568.003, Occupations Code, by adding 7 additional violations for which the Board of Pharmacy could take disciplinary action against a registered pharmacy technician or pharmacy technician trainee. The bill would also authorize the Board of Pharmacy to request, on probable cause, that a pharmacy technician, pharmacy technician applicant, or pharmacy technician trainee submit to a mental or physical examination.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house. If not, the bill would take effect September 1, 2009.

Methodology

The Board of Pharmacy currently registers 52,000 pharmacy technicians and pharmacy technician trainees. The Board anticipates there would be an increase in the number of disciplinary actions required to regulate the new violations established by the bill. Based on the analysis of the Board, it is assumed that the agency would need an additional 1.0 legal assistant III to address the increased number of disciplinary actions. Other operating costs in Fiscal Year (FY) 2010 include \$14,500 for office space remodeling to create room for the new employee, \$1,729 for computer equipment, and \$600 for furniture and equipment. Other operating costs for consumable supplies and other office expenditures are \$2,625 in FY 2010 and each subsequent year.

This analysis assumes that any increased costs to the agency, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 515 Board of Pharmacy

LBB Staff: JOB, ES, CL, MW