

NOTE: This is an earlier version of the fiscal note for HF1032-0.

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Consolidated Fiscal Note

2023-2024 Legislative Session

HF1032 - 0 - Medication Repository Program

Chief Author: **Robert Bierman**
 Committee: **Health Finance And Policy**
 Date Completed: **3/6/2023 12:42:15 PM**
 Lead Agency: **Pharmacy Board**
 Other Agencies:
 Administrative Hearings

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Pharmacy Board						
General Fund	-	18	18	18	18	18
State Total						
General Fund	-	18	18	18	18	18
Total	-	18	18	18	18	18
Biennial Total			36			36

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Pharmacy Board					
General Fund	-	-	-	-	-
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Shannon Zila **Date:** 3/6/2023 12:42:15 PM
Phone: 651-296-6053 **Email:** shannon.zila@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Pharmacy Board						
General Fund	-	18	18	18	18	18
Total	-	18	18	18	18	18
	Biennial Total		36		36	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Pharmacy Board						
General Fund	-	18	18	18	18	18
Total	-	18	18	18	18	18
	Biennial Total		36		36	
2 - Revenues, Transfers In*						
Pharmacy Board						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
	Biennial Total		-		-	

Fiscal Note

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 Agency: **Pharmacy Board**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings) Dollars in Thousands	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	18	18	18	18
Total	-	18	18	18	18
Biennial Total			36		36

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Shannon Zila **Date:** 3/6/2023 12:42:07 PM
Phone: 651-296-6053 **Email:** shannon.zila@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
General Fund	-	18	18	18	18	18
Total	-	18	18	18	18	18
Biennial Total			36			36
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	18	18	18	18	18
Total	-	18	18	18	18	18
Biennial Total			36			36
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

This bill would require the Board of Pharmacy to provide the central repository under contract to administer the medication repository program with any legislative funding provided for the purpose; making conforming changes related to donations of over-the-counter medications; appropriating money; amending Minnesota Statutes 2022, section 151.555.

Assumptions

This bill requires an amendment to the current contract between the Board of Pharmacy and the Medication Repository Program. The amendment includes but is not limited to the terms in which the funding can be spent by the Medication Repository Program, a procedure by which staff at the Repository Program will be expected to submit invoices to the Board, establishing the frequency of defined performance measures, and contract termination if the Repository Program is found to be in breach of terms.

The bill, if enacted, also requires the board staff to conduct a review of defined performance measures, review and submit to Accounts Payable program invoices, reconcile expenses of program's expenditures and conduct an annual audit of expenditures. To fully implement the new language in the bill, the Board of Pharmacy would incur an additional 4% in costs as detailed in the assumptions and expenditures.

Expenditure and/or Revenue Formula

- Contract amendment establishment
 - o 10 hours executive director, 10 hours deputy director, 10 hours legal analyst
- Establishing invoice procedure
 - o 8 hours executive director, 8 hours deputy director, 8 hours state program administrator-supervisor (SPA-Sup)
- Annual review of defined performance measures
 - o 4 hours executive director
- Review and submit to accounts payable the program's invoices on a monthly basis

- o 3 hours state program administrator-supervisor plus 3 hours deputy director per month = 36 hours SPA-Sup and 36 hours deputy director annually
- Monthly Expense reconciliation for program's expenditures
 - o 3 hour state program administrator-supervisor x 12 months = 36 hours SPA-Sup
- Annual audit of expenditures
 - o 8 hours state program administrator-supervisor, 8 hours deputy director, 8 hours executive director
- Assess compliance with contract terms, renewal needs, and relevance of contractual language
 - o 4 hours executive director, 4 hours legal analyst
- Technical assistance with amendments and program administration
 - o 20 hours pharmacy senior

Using salary and fringe for the aforementioned employees/job classifications, the Board anticipates incurring \$18,000 in expenses. This estimate is based on the history of our workload to implement this type of work to date however, it is only an estimate based on past similar work of this kind that we have implemented or performed. There will be no impact to OAH for rulemaking for funding received from the general fund.

Long-Term Fiscal Considerations

The Board anticipates this to be a long-term expense unless the statute is otherwise modified.

Local Fiscal Impact

References/Sources

Payroll report provided by the Small Agency Resource Team

Agency Contact: Jill Phillips (651-201-2834)

Agency Fiscal Note Coordinator Signature: Jill Phillips

Phone: 651-201-2834

Date: 3/6/2023 11:23:04 AM

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Fiscal Note

2023-2024 Legislative Session

HF1032 - 0 - Medication Repository Program

Chief Author: **Robert Bierman**
 Committee: **Health Finance And Policy**
 Date Completed: **3/6/2023 12:42:15 PM**
 Agency: **Administrative Hearings**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 2/23/2023 10:52:30 AM
Phone: 651-297-1423 **Email:** chloe.burns@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027	
Total	-	-	-	-	-	-
Biennial Total			-			-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Total	-	-	-	-	-	-
Biennial Total			-			-
2 - Revenues, Transfers In*						
Total	-	-	-	-	-	-
Biennial Total			-			-

Bill Description

HF1032/SF868 provides that for a health care facility to participate in the Board of Pharmacy's (Board) medication repository program, the facility must agree to maintain its state license or registration in good standing.

Assumptions

The Office of Administrative Hearings (OAH) assumes that the current complement of administrative law judges employed by OAH is sufficient to preside over any disputes arising from claims under HF1032/SF868. The requirements in HF1032/SF868 appear in current statute, M.S 151.555, and the bill does not add any licensing-related dispute resolution costs that are not already in statute. No additional funds would be needed for this work.

Expenditure and/or Revenue Formula

Long-Term Fiscal Considerations

Local Fiscal Impact

References/Sources

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