

Ohio Legislative Service Commission

Office of Research and Drafting

Legislative Budget Office

H.B. 558 134th General Assembly

Fiscal Note & Local Impact Statement

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Version: As Introduced

Primary Sponsors: Reps. Roemer and Jordan

Local Impact Statement Procedure Required: No

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Highlights

■ The State Board of Pharmacy will incur minimal one-time costs to draft and update administrative rules governing its existing Drug Repository Program.

Detailed Analysis

The bill modifies the state's Drug Repository Program managed by the State Board of Pharmacy. Most notably, the bill makes the following changes to the operation of the program:

- Exempts charitable pharmacies and nonprofit clinics from current law's general prohibition on accepting or distributing drugs not in their original sealed and tamperevident packaging;
- Exempts charitable pharmacies and nonprofit clinics from the existing law prohibition on reselling drugs donated to the program, by authorizing those entities to make occasional sales of donated drugs at wholesale;
- Extends the authority to distribute drugs under the program to licensed health professionals authorized to prescribe drugs; and
- Eliminates the requirement that the Board consult with the Director of Health when adopting rules.

The Drug Repository Program manages the collection and distribution of drugs donated or given by pharmacies, drug manufacturers, health care facilities, and others to Ohio residents who meet eligibility standards established by the Board. The bill's changes essentially broaden the program's scope by allowing for (1) the participation of more organizations and entities and (2) the collection and distribution of more drugs. Currently, there are three charitable pharmacies operating in Ohio, all of which are currently licensed by the Board. The number of additional

organizations and entities that would opt to participate in the program because of the bill is unknown. The staff of the Board, however, do not anticipate any additional operating expenses regardless of the number of organizations and entities that may choose to participate.¹

The Board will be required to update the administrative rules relating to the program, including a form to be signed when making a donation. The costs would be administrative in nature, occur one-time, and likely be absorbed in the normal day-to-day operations using existing staff and resources.

The bill eliminates the requirement that the Board consult with the Director of Health when adopting rules governing the Drug Repository Program. This would appear to codify current practice, as the Department of Health is not currently involved in the program.

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¹ The bill will apply to Ohio's Federally Qualified Health Centers (FQHCs, or community health centers).