



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** H.B. 39 of the 131st G.A.

**Date:** February 24, 2015

**Status:** As Introduced

**Sponsor:** Reps. Duffey and DeVitis

**Local Impact Statement Procedure Required:** No

**Contents:** Authorizes schools and residential and child day camps to procure metered dose and dry powdered asthma inhalers, exempts them from licensing requirements related to the possession of asthma inhalers

### State Fiscal Highlights

- The State Board of Pharmacy may experience a minimal decrease in revenue due to issuing fewer terminal distributor of dangerous drugs licenses, since the bill permits schools and residential and child day camps to possess and administer asthma inhalers without the license. The fee for this license is \$112.50.

### Local Fiscal Highlights

- Schools may experience a decrease in expenditures, since the bill permits them to possess and administer asthma inhalers without a terminal distributor of dangerous drugs license. The fee for this license is \$112.50.
- Schools that choose to procure and maintain a supply of asthma inhalers may incur costs in developing a policy regarding the use and maintenance of the drug, reporting certain items to the Ohio Department of Education (ODE), and purchasing the asthma inhalers. The bill permits manufacturers of dangerous drugs to donate asthma inhalers to participating schools. If manufacturers do so, costs for schools will be lower.

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## Detailed Fiscal Analysis

### Procuring and maintaining asthma inhalers

#### Public and nonpublic schools

Currently, schools may possess asthma inhalers by obtaining a terminal distributor of dangerous drugs license from the State Board of Pharmacy and a protocol or standing order from a licensed physician authorizing certain individuals to administer the drug under specified circumstances.<sup>1</sup> The bill authorizes all public schools (school districts, community schools, STEM schools, and college-preparatory boarding schools) and chartered and nonchartered nonpublic schools to procure metered dose and dry powdered asthma inhalers without a license and to maintain a supply of the drug for use in specified emergency situations.

Schools that choose to procure the asthma inhalers must adopt a policy regarding their maintenance and use. The policy must contain a prescriber-issued protocol, approved by the State Board of Pharmacy, and specify seven conditions, including: (1) identifying a location or locations in the school where the inhalers are to be stored, (2) specifying any training that designated employees must complete, and (3) specifying the individuals, in addition to students, school employees, and school visitors, who may receive a dosage of medication through an inhaler in specified emergency conditions.

A school that voluntarily chooses to procure and maintain a supply of asthma inhalers under the bill will incur costs related to developing and implementing the policy, specifically in working with a licensed physician and providing training to employees. These costs are not likely to be significantly different from the costs incurred by schools that choose to possess and administer the drug under current law. Under the bill, however, schools will not be required to obtain a terminal distributor of dangerous drugs license. The fee for this license is \$112.50.<sup>2</sup> This represents a savings for the school and a loss of revenue for the State Board of Pharmacy.

After establishing a policy that complies with the bill, a school may purchase asthma inhalers for its emergency supply. The price of an asthma inhaler largely depends upon the dosage and brand of medication. The cost for inhalers of albuterol and levalbuterol, two medications commonly used to treat asthma symptoms or attacks, generally ranges from \$50 to \$75. The bill encourages a school to maintain at least two inhalers, but does not require it to do so. Inhalers typically expire and need to be replaced after around 12 months, so these purchase costs will be recurring. The bill

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<sup>1</sup> As of February 2015, 33 public schools have terminal distributor of dangerous drugs licenses issued by the State Board of Pharmacy.

<sup>2</sup> R.C. 4729.54(G)(1)(b).

permits manufacturers of dangerous drugs to donate asthma inhalers to participating schools. If manufacturers do so, costs for schools will be lower.

Participating schools must also report to the Department of Education each acquisition of an asthma inhaler and each occurrence in which one is used from its supply. Schools may incur increased expenditures for complying with this requirement, although any increase will likely be negligible.

### **Residential and child day camps**

The bill also authorizes certain residential and child day camps to procure asthma inhalers without a license from the State Board of Pharmacy. Under the bill, a camp is able to procure and maintain a supply of inhalers following a similar protocol to that mentioned above for schools. As a result, a state agency, local government, park district, or joint recreation district operating such a camp may experience some savings since they will not need to purchase a license and the State Board of Pharmacy may incur further loss of revenue. A participating camp must report to the Department of Job and Family Services each acquisition of an asthma inhaler and each occurrence in which one is used from its supply.