

February 28, 2013

The Honorable David Crum, Chairperson
House Committee on Health and Human Services
Statehouse, Room 512-N
Topeka, Kansas 66612

Dear Representative Crum:

SUBJECT: Fiscal Note for HB 2238 by House Committee on Vision 2020

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2238 is respectfully submitted to your committee.

HB 2238 would authorize the University of Kansas School of Pharmacy to establish, maintain, and operate a telepharmacy communications system. This would be done within the limits of appropriations and subject to the approval of the Secretary of Administration. Under current law, the Secretary of Administration coordinates the telecommunications systems across the state. The telepharmacy communications system would apply technology to the practice of pharmacy through compressed, full-motion, high-resolution, two-way interactive video communication and information transfer over long distance within a medical setting. The system would be governed by a four-member Telepharmacy Advisory Committee as defined in the bill. The School of Pharmacy would be able to enter into contracts and purchase the necessary equipment. It may also fix, charge and collect fees, which would be deposited in the state treasury to the credit of one or more special revenue funds as specified by the Vice-Chancellor. The bill defines how those funds may be spent related to the system. The intent would be to serve communities in underserved areas of the state.

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	--	--	--
Expenditure	--	--	\$155,000	\$155,000
FTE Pos.	--	--	--	1.00

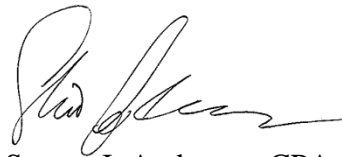
The Department of Administration notes that HB 2238 would have no fiscal effect on its Office of Information Technology Services. The University of Kansas School of Pharmacy

would create, operate and maintain its telepharmacy network and would be responsible for all expenditures.

The University of Kansas estimates that it would need to hire a licensed pharmacist at a cost of \$145,000 and provide a secured video system at a cost of \$10,000 per year. Each remote site would need to have robot hardware and video equipment, drugs and containers for the robot, a qualified technician to operate the robot and secure the facility. The estimated cost for each site is \$300,000 for equipment and \$100,000 for annual costs. The University assumes that the remote site would be responsible for these costs.

The University would be authorized to charge and collect fees to cover the costs of certain services. Other expenditures would be subject to appropriation. Any fiscal effect associated with HB 2238 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Kelly Oliver, Board of Regents
Pam Fink, DofA