

Date: March 15, 2023

Bill Number: SB 135 Disposition: Neutral

Name: Aaron Dunkel

Executive Director, Kansas Pharmacists Association

Chairman Thompson and Members of the Committee,

Thank you for the opportunity to provide you with information today on behalf of our 1,800 member pharmacists, pharmacy technicians, and pharmacy students. The Kansas Pharmacists Association (KPhA) is the statewide professional association representing pharmacy professionals in all practice settings. While KPhA is neutral on SB 135, as a whole, we would like to convey concern with certain sections and ask that if the bill is to move forward, these sections be adjusted.

KPhA is fully supportive of the sections of the bill that require a consultant pharmacist for each dispensary. The section pertaining to that requirement that we have a concern with is Section 39(b)(1), limiting the fee a pharmacist may charge for their services to one percent of the gross annual receipts of the retail dispensary. It is our belief that this will cause an artificial impediment to pharmacists being allowed to be compensated at a market rate. This is contradictory to a basic concept of an open market environment.

For a smaller dispensary in the state, this artificial cap could have the direct impact of making it impossible for them to hire a consultant pharmacist due to the requirements of that position, the time required to complete the tasks assigned to the position of a consultant pharmacist, and the lack of available funds to compensate that position appropriately. Take for example a dispensary with \$3.0 million in annual revenue, this would mean they could only pay a consultant pharmacist \$30,000 for verifying the dispensary's K-TRACS information, auditing each recommendation for the use of medical cannabis, verifying that dispensing is in line with recommendations, developing and providing training to staff every twelve months, establishing certain clinical and operational guidelines, provide oversight for the development and dissemination of educational materials for patients, and be accessible to the dispensary for patient consultations during business hours.

While we are fully supportive of pharmacists that want to provide this service to dispensaries across Kansas, we know that under the current limitation in SB 135, a small dispensary would be hard-pressed to be able to meet the compensation needs for a licensed pharmacist to provide these services. We are firm believers that if medical cannabis is passed in Kansas, it should be available to those that need access and that with this artificial limitation on the open market for pharmacists to contract to provide this service, there will be areas of the state and potential providers of these services that will be constricted in their ability to open and maintain a dispensary solely due to their inability to hire a consultant pharmacist to meet other requirements in the bill.

It is our recommendation that this artificial limit be removed if SB 135 is to move forward. This would allow pharmacists that want to provide consultant services to dispensaries to market their services at a rate commensurate with the services provided, and not artificially limited by an arbitrary number. This will also allow small dispensaries to attract consultant pharmacists to their business based on their needs and not limit them in placing a value on those services.

Chairman and Committee, thank you for your consideration of our concerns related to SB 135.