



# Ohio Legislative Service Commission

Mary Morris

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## Fiscal Note & Local Impact Statement

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**Bill:** Am. Sub. S.B. 89 of the 128th G.A.      **Date:** January 4, 2010  
**Status:** As Enacted – Effective March 29, 2010      **Sponsor:** Sen. Morano

**Local Impact Statement Procedure Required:** No — No local cost

**Contents:** Nurse prescriptive authority, cooperation among institutions of higher education and nursing education, and drug repository program handling fee

### State Fiscal Highlights

- The bill requires the Board of Nursing to issue a certificate to prescribe to qualified nurses who meet the requirements in the bill and to amend rules to reflect the changes to the law governing prescriptive authority for out-of-state and federally employed advanced practice nurses. According to the Board, issuing the certificates and promulgating rules will be absorbed as part of the Board's normal administrative functions and will have little, if any, fiscal effect on the Board.
- The Board of Regents may incur minimal administrative expenses to establish a mechanism for communication, cooperation, and partnerships for meeting statewide nursing education needs through the Ohio Skills Bank.

### Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

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## Detailed Fiscal Analysis

### Prescriptive authority

Under current law, an advanced practice nurse authorized to practice in Ohio as a clinical nurse specialist, certified nurse-midwife, or certified nurse practitioner may acquire the authority to prescribe drugs and therapeutic devices by obtaining a certificate to prescribe through the Board of Nursing. To obtain the certificate, a nurse must first obtain an externship certificate to prescribe and complete an externship.

Under the bill, a nurse who practiced or is practicing as a clinical nurse specialist, certified nurse-midwife, or certified nurse practitioner in another jurisdiction or as an employee of the United States government with prescriptive authority is exempt from all or part of the requirement to complete an externship to obtain a certificate to prescribe if the nurse meets certain requirements. The bill requires the Board to issue a certificate to prescribe (not an externship certificate to prescribe) to each out-of-state or federally employed nurse whose prescriptive authority includes controlled substances and who meets the requirements outlined in the bill. The bill also requires the Board to amend its rules to reflect the changes to the law governing prescriptive authority for out-of-state and federally employed advanced practice nurses. According to the Board, issuing the certificate to prescribe instead of the externship certificate to prescribe to qualified nurses will not affect the Board's operational costs. Rule promulgation will also be absorbed as part of the Board's normal administrative functions and will have a negligible fiscal effect on the Board.

### Nursing programs

The bill requires the Chancellor of the Board of Regents (BOR) to establish a mechanism through the Ohio Skills Bank that facilitates communication, cooperation, and partnerships among all state institutions of higher education that have nursing programs and between those institutions and hospitals. The collaborations are to improve the ability of Ohio's nursing programs to meet regional and statewide nursing needs. This requirement may increase BOR's administrative expenses.

### Drug Repository Program handling fee

The bill makes a technical change to the Drug Repository Program handling fee. Under current law, the Drug Repository Program's handling fee is set by rule (O.A.C. 4729-35-09). The rule stipulates that "a pharmacy, a hospital, or a nonprofit clinic may charge the recipient of a donated drug a maximum of 200% of the Medicaid professional dispensing fee to cover restocking and dispensing costs." The current Drug Repository Program handling fee is \$7.40. However, the Medicaid professional dispensing fee was changed in Am. Sub. H.B. 1 of the 128th General Assembly to \$1.80 (effective January 1, 2011). Under the current rule, this change effectively reduces the Drug Repository Program handling fee to about half the current amount (\$3.60).

The bill maintains the fee at \$7.40 until the Board of Pharmacy reviews and updates its administrative rules. It is estimated that there are approximately 20 drug repositories throughout the state, the majority of which are affiliated with the Ohio Association of Free Clinics. These clinics do not charge their clients the handling fee. There are no known state or locally operated facilities that currently charge this fee. As such, any related future fiscal effects would be few, if any.

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