



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 296 of the 130th G.A. **Date:** April 8, 2014
Status: As Reported by Senate Medicaid, Health & Human Services **Sponsor:** Reps. Johnson and Duffey

Local Impact Statement Procedure Required: No

Contents: Authorizes schools and residential and child day camps to procure epinephrine auto injectors, exempts them from certain licensing requirements related to the possession of epinephrine auto injectors, and declares an emergency

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 epinephrine auto injectors 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 epinephrine auto injectors 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 epinephrine auto injectors 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 auto injectors. The bill permits manufacturers of dangerous drugs to donate epinephrine auto injectors to participating schools. If manufacturers do so, costs for schools will be lower.

Detailed Fiscal Analysis

Procuring and maintaining epinephrine auto injectors

Public and nonpublic schools

Currently, schools may possess epinephrine auto injectors 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.¹ 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 epinephrine auto injectors without a license and to maintain a supply of the drug for use in specified emergency situations. Schools that choose to procure the auto injectors 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 injectors 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 epinephrine in specified emergency conditions.

A school that voluntarily chooses to procure and maintain a supply of epinephrine auto injectors 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 \$112.50.² 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 epinephrine auto injectors for its emergency supply. Most auto injectors are dispensed in packs of two with a cost of approximately \$200 per pack. Schools may choose to stock more than one pack of auto injectors at a time. For example, the Chicago Public School District, in meeting Illinois' statute, stocks from four to six auto injectors at a time in each building.³ Auto injectors typically expire and need to be replaced after 12 to 16

¹ An analysis conducted by the State Board of Pharmacy in July 2012 showed more than 20 public schools had terminal distributor of dangerous drugs licenses issued by the Board.

² R.C. 4729.54(G)(1)(b).

³ http://articles.chicagotribune.com/2012-01-23/news/ct-met-cps-epi-pen-20120123_1_cps-asthma-management-katelyn-carlson.

months, so these purchase costs will be recurring. The bill permits manufacturers of dangerous drugs to donate epinephrine auto injectors to participating schools. If manufacturers do so, costs for schools will be lower.

Participating schools must also report to the Department of Education (ODE) each acquisition of epinephrine auto injectors 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 epinephrine auto injectors without a license from the State Board of Pharmacy. Under the bill, a camp is able to procure and maintain a supply of auto injectors 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 procurement and each occurrence of auto injector use from its supply.