

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 17, 2023

TO: Honorable Stephanie Klick, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB594 by Shaheen (Relating to the provision of telepharmacy services.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB594, As Introduced : a negative impact of (\$2,982,280) through the biennium ending August 31, 2025.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$1,603,640)
2025	(\$1,378,640)
2026	(\$1,378,640)
2027	(\$1,378,640)
2028	(\$1,378,640)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$1,603,640)	15.0
2025	(\$1,378,640)	15.0
2026	(\$1,378,640)	15.0
2027	(\$1,378,640)	15.0
2028	(\$1,378,640)	15.0

Fiscal Analysis

The bill would amend the Occupations Code to remove the requirement that the Board of Pharmacy adopt rules that limit the types of healthcare facilities at which a tele-pharmacy system may be located, the locations eligible to be licensed as remote dispensing sites, and the requirement that a pharmacist employed by a provider pharmacy make at least monthly on-site visits to a remote dispensing site. The bill would take effect on September 1, 2023.

Methodology

Based on the analysis of the Board of Pharmacy, this estimate assumes that implementation of the bill would increase the number of remote pharmacies by 5,790. According to the agency, this would increase the agency's pharmacy licensing base by up to 115 percent. To address this increase in the licensing population, this estimate assumes the agency would require 15 additional full-time equivalents (FTEs) each fiscal year. These FTEs would be comprised of three pharmacist compliance inspectors (\$102,747 with estimated benefits of \$31,163 per FTE per year), seven pharmacy technician compliance inspectors (\$55,602 with estimated benefits of \$16,864 per FTE per year), two Licensing Specialists (\$45,024 with estimated benefits of \$13,655 per FTE per year), three Investigators (\$51,985 with estimated benefits of \$15,767 per FTE per year). Additionally, the 15 FTEs would require \$225,000 in one-time start up costs and \$134,880 in annual supplies and material costs.

Technology

As mentioned above, the agency would require \$225,000 in one-time technology start up costs.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 515 Board of Pharmacy

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