

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** House 933 (First Edition)

**SHORT TITLE:** Up Pharmacy Fees

**SPONSOR(S):** Rep. Jarrell, et al

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available ( )</b>		
	<b><u>FY 1997-98</u></b>	<b><u>FY 1998-99</u></b>	<b><u>FY 1999-00</u></b>	<b><u>FY 2000-01</u></b>	<b><u>FY 2001-02</u></b>
<b>REVENUES</b>					
Pharmacy Operating Acct.	\$567,700	\$567,700	\$567,700	\$567,700	\$567,700
<b>EXPENDITURES</b>					
Pharmacy Operating Acct.	(see ASSUMPTIONS AND METHODOLOGY)				
<b>POSITIONS:</b>	4	4	4	4	4
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> North Carolina Board of Pharmacy					
<b>EFFECTIVE DATE:</b> The act is effective when it becomes law.					

**BILL SUMMARY:** The act increases the fees collected under the Pharmacy Practice Act. The act also adds new fees for dispensing physicians, dispensing physician assistants, dispensing nurse practitioner, pharmacist personnel, and duplicate license.

**ASSUMPTIONS AND METHODOLOGY:**

REVENUE

The following chart assumes the North Carolina Board of Pharmacy will charge the maximum fee allowed by the bill. The Board of Pharmacy provided the number of current licenses and an estimate of the number of new licenses. Many of the fees in the bill have not been increased since 1988.

	Current	Proposed	Number	FY 95-96	FY 97-98
	<u>Fee</u>	<u>Fee</u>	<u>Issued</u>	<u>Actual</u>	<u>Projected</u>
				<u>Revenue</u>	<u>Revenue</u>
Pharmacist Renewals	\$ 65	\$ 110	7,638	\$ 496,470	\$ 840,180
Pharmacist Reinstatements	80	125	72	5,760	9,000
Pharmacy Permits - Original	250	350	178	44,500	62,300
Pharmacy Renewals	125	175	2,019	252,375	353,325
Pharmacy Reinstatements	250	350	25	6,250	8,750
Reciprocity	300	400	165	49,500	66,000
Exam fee (plus cost of test)	150	160	285	90,300	93,150
Physician Dispensing	0	50	478	0	23,900
PA/FNP Dispensing	0	50	100	0	5,000
Pharmacist Personnel	0	25	2000	0	50,000
Dup. License, Permit/Reg.	0	25	50	0	1,250
Total Revenue				\$ 945,155	\$ 1,512,855
Difference					\$ 567,700

### EXPENDITURES

The Board of Pharmacy plans to double their inspection/investigation staff to do routine annual inspections and to investigate complaints. The hiring of four additional inspectors will cost at least \$240,000 per year. The Board has not hired a new pharmacy inspector since 1987.

The proposed new fees in HB 933 will cover the costs of registering physician assistants, nurse practitioners, and physicians that dispense drugs. The Board has been registering these professionals since 1977 (1988 for doctors) without charge. The Board estimates that it has spent \$250,000 on registering these groups and investigating complaints about these professionals.

**FISCAL RESEARCH DIVISION  
733-4910**

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**DATE:** April 28, 1997



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