

Department of Legislative Services
Maryland General Assembly
2007 Session

FISCAL AND POLICY NOTE
Revised

House Bill 141

(Delegate Elliott)

Health and Government Operations

Education, Health, and Environmental Affairs

State Board of Pharmacy - Sending Renewal Notices by Electronic Means

This bill requires the State Board of Pharmacy, if requested, to send electronic renewal notices at least twice within the month before a license, permit, or registration expires to licensed pharmacists, pharmacy and distribution permit holders, and registered pharmacy technicians. If a renewal notice is returned to the board as undeliverable, the board must send a renewal notice by first-class mail to the individual's last known address. Otherwise, renewal notices must still be mailed.

Fiscal Summary

State Effect: Potential minimal reduction in special fund expenditures beginning in FY 2008. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Licensed pharmacists and registered pharmacy technicians must renew their licenses and registrations, respectively, biennially. Pharmacy and distribution permit holders must renew their permits annually. The State Board of Pharmacy must send renewal notices to licensed pharmacists, pharmacy and distribution permit holders, and registered pharmacy technicians by first-class mail to the last known address of the licensee, permit holder, and technician.

Background: The board reports that there are 7,834 licensed pharmacists, 1,562 pharmacies, and 744 wholesale distributors. Once the pharmacy technician regulations take effect, the board expects to register approximately 4,000 pharmacy technicians. Pharmacists renew biennially. Pharmacies and wholesale distributors renew annually.

The board currently mails postcard renewal notices to pharmacists and paper applications for establishments. Electronic renewal notices would be optional. The board advises that in January, 216 of 311 pharmacists renewing their licenses did so electronically. Meanwhile, 52% of pharmacies and wholesale distributors chose to electronically renew their permits.

State Expenditures: State Board of Pharmacy special fund expenditures could decrease minimally beginning in fiscal 2008 depending on the number of renewal notices the board sent out electronically rather than through the mail.

The board advises that its postage and printing costs to notify 7,834 pharmacists by postcard are approximately \$4,400 annually. The board estimates that this expenditure eventually could be reduced by 50% as a result of this bill. The board's current postage expenditures for notifying 1,562 pharmacies and 744 wholesale distributors are approximately \$1,800 because renewal forms and instructions are sent by first-class mail.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of Administrative Hearings, Department of Health and Mental Hygiene, Department of Legislative Services

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