R034-19 NAC Chapter 639.220 Schedule of Fees

September 6, 2019

INFORMATIONAL STATEMENT

The informational statement required by NRS 233B.066 numerically conforms to the subsections of the statute as follows:

EXPLANATION OF THE NEED FOR THE ADOPTED REGULATION

The proposed amendments to the Board's schedule of fees are necessary to eliminate a structural deficit in the Board's operating budget for the Nevada Prescription Monitoring Program (PMP), established in 1997 pursuant to the mandate of NRS 453.162. This structural deficit was identified by the Legislative Commission's Sunset Subcommittee during its 2017-18 Interim review of the Board. The fee increases apply to those licensees that are statutorily mandated to utilize the PMP.

2. A DESCRIPTION OF HOW PUBLIC COMMENT WAS SOLICITED, A SUMMARY OF PUBLIC RESPONSE, AND AN EXPLANATION HOW OTHER INTERESTED PERSONS MAY OBTAIN A COPY OF THE SUMMARY.

The Board solicited comment on the proposed amendment by (1) posting notice, with links to the full text of the proposed amendment, to the LCB Administrative Regulation Notices webpage, (2) posting a copy of the full text of the proposed changes to the Board's website as part of the Board Hearing materials, (3) posting notice to the Nevada Public Notice website, operated by the Department of Administration, with a link back to a full text of the proposed amendment on the Board's website, and (4) posting notices and agendas in numerous public locations per NRS Chapter 233B.

The Board also solicited comment from Nevada dispensing practitioners, and from representatives of relevant industry associations that Board Staff deemed likely to have an interest in the proposed amendment. The Board further provided time for public comment at the workshop(s) concerning the proposed amendment.

Catherine O'Mara, Executive Director Nevada State Medical Association 5355 Kietzke Lane, Suite 100 Reno, Nevada 89511 775-825-6788

Ms. O'Mara stated that she understands the Board's position but is opposed to the increase. The overall cost of business for physicians is also increasing however practitioner compensation is decreasing. Increasing licensing fees from \$80 to \$200 creates a hardship for practitioners. Ms. O'Mara asked the Board to consider phasing in the increase over time.

Parties interested in obtaining a copy of the summary of the proposed amendment, or that wish to view the text of the proposed amendment, may access that information on the Board's website at bop.nv.gov, or by contacting the Board's office at (775) 850-1440.

3. THE NUMBER OF PERSONS WHO: (A) ATTENDED EACH HEARING; (B) TESTIFIED AT EACH HEARING; AND (C) SUBMITTED TO THE AGENCY WRITTEN STATEMENTS.

The number of persons who attended the hearing was: 25
The number of persons who testified at the hearing was: 1
The number of agency submitted statements was: -0The name of persons who testified at the hearing:

Catherine O'Mara, Executive Director Nevada State Medical Association 5355 Kietzke Lane, Suite 100 Reno, Nevada 89511 775-825-6788 catherine@nvdoctors.org

Ms. O'Mara stated that she understands the Board's position but is opposed to the increase. The overall cost of business for physicians is also increasing however practitioner compensation is decreasing. Increasing licensing fees from \$80 to \$200 creates a hardship for practitioners. Ms. O'Mara asked the Board to consider phasing in the increase over time.

4. A DESCRIPTION OF HOW COMMENT WAS SOLICITED FROM AFFECTED BUSINESSES, A SUMMARY OF THEIR RESPONSE, AND AN EXPLANATION HOW OTHER INTERESTED PERSONS MAY OBTAIN A COPY OF THE SUMMARY.

The Board solicited comment on the proposed amendment by (1) posting notice, with links to the full text of the proposed amendment, to the LCB Administrative Regulation Notices webpage, (2) posting a copy of the full text of the proposed changes to the Board's website as part of the Board Hearing materials, (3) posting notice to the Nevada Public Notice website, operated by the Department of Administration, with a link back to a full text of the proposed amendment on the Board's website, and (4) posting notices and agendas in numerous public locations per NRS Chapter 233B.

The Board also solicited comment from Nevada dispensing practitioners, and from representatives of relevant industry associations that Board Staff deemed likely to have an interest in the proposed amendment. Further, the Board provided time for public comment at the workshop(s) concerning the proposed amendment.

Catherine O'Mara, Executive Director Nevada State Medical Association 5355 Kietzke Lane, Suite 100 Reno, Nevada 89511

775-825-6788

Ms. O'Mara stated that she understands the Board's position but is opposed to the increase. The overall cost of business for physicians is also increasing however practitioner compensation is decreasing. Increasing licensing fees from \$80 to \$200 creates a hardship for practitioners. Ms. O'Mara asked the Board to consider phasing in the increase over time.

Parties interested in obtaining a copy of the summary of the proposed amendment, or that wish to view the text of the proposed amendment, may access that information on the Board's website at bop.nv.gov, or by contacting the Board's office at (775) 850-1440.

5. IF THE REGULATION WAS ADOPTED WITHOUT CHANGING ANY PART OF THE PROPOSED REGULATION, A SUMMARY OF THE REASONS FOR ADOPTING THE REGULATION WITHOUT CHANGE.

Despite opposition from the Nevada State Medical Association, the fee increase is necessary to eliminate the Board's current structural deficit as noted by the Legislature's Sunset Subcommittee.

- 6. THE ESTIMATED ECONOMIC EFFECT OF THE REGULATION ON THE BUSINESS WHICH IT IS TO REGULATE AND ON THE PUBLIC. THESE MUST BE STATED SEPARATELY, AND IN EACH CASE MUST INCLUDE:
 - A) BOTH ADVERSE AND BENEFICIAL EFFECTS.

There should be no adverse economic impact from this regulation amendment on the public. The beneficial impact upon the public is that adequate funding to operate the PMP will better ensure the delivery of safe, reliable pharmaceutical care for Nevadans. The adverse economic impact upon the affected licensees is estimated to be \$748,000.00 per year. The beneficial impact upon the licensees will result from improved efficiency in the delivery of healthcare pursuant NRS 453.162(2) as amended by AB 239 from the 2019 Legislative Session.

B) BOTH IMMEDIATE AND LONG-TERM EFFECTS.

The Board anticipates that there will be no immediate or long-term economic effect on the public, or that any such effects will be negligible. The economic impact upon the affected licensees is estimated to be \$748,000.00 per year.

7. THE ESTIMATED COST TO THE AGENCY FOR ENFORCEMENT OF THE PROPOSED REGULATION.

There will be no additional or special costs incurred by the board for enforcement of this regulation.

8. A DESCRIPTION OF ANY REGULATIONS OF OTHER STATE OR GOVERNMENT AGENCIES WHICH THE PROPOSED REGULATION

OVERLAPS OR DUPLICATES AND A STATEMENT EXPLAINING WHY THE DUPLICATION OR OVERLAPPING IS NECESSARY. IF THE REGULATION OVERLAPS OR DUPLICATES A FEDERAL REGULATION, THE NAME OF THE REGULATING FEDERAL AGENCY.

There are no similar regulations of other state or government agencies that the proposed fee increase overlaps or duplicates.

9. IF THE REGULATION INCLUDES PROVISIONS WHICH ARE MORE STRINGENT THAN A FEDERAL REGULATION WHICH REGULATES THE SAME ACTIVITY, A SUMMARY OF SUCH PROVISIONS.

The proposed fee increase does not impact federal regulation.

10. IF THE REGULATION PROVIDES A NEW FEE OR INCREASES AN EXISTING FEE, THE TOTAL ANNUAL AMOUNT THE AGENCY EXPECTS TO COLLECT AND THE MANNER IN WHICH THE MONEY WILL BE USED.

The proposed amendments will increase the fees for an initial registration, and the biennial renewal of a registration, as a registered pharmacist, pharmaceutical technician or pharmaceutical technician in training, or for authorization to prescribe or possess controlled substances, within the statutory limits of NRS 639.170. The total amount is estimated to be \$748,000.00 per year.