

**Testimony on:**  
**HB 2578: Utilization of Unused Medications Act**

**presented to:**  
**House Appropriations Committee**

**by:**  
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**House Appropriations Committee**  
**March 22, 2007**

**HB 2578: Utilization of Unused Medications Act**

Good morning Madame Chair and Committee members. I am Marcia Nielsen, Executive Director of the Kansas Health Policy Authority. Thank you for the opportunity to address the House Appropriations Committee on the utilization of unused medications act, HB 2578. On behalf of the Authority I would like to express support for passage of the bill with modification.

Representatives of the Kansas Health Policy Authority Pharmacy Program were involved in the drafting of HB 2578 ensuring that the bill is in line with the vision principles of our agency. In particular HB 2578 will improve access to care by providing medications to citizens through Federally Qualified Health Centers – citizens who may have been without medications. The bill promotes efficiency in health care by allowing adult care homes that participate in the utilization of the unused medications program to donate medications they might otherwise have discarded. However, as beneficial as we believe this legislation would be to serving the needs of Kansas residents, the Center for Medicare and Medicaid Services (CMS) requires that the state Medicaid agency be reimbursed when unused medications are restocked and reused. Therefore, we would urge that an exception be included in the bill for medications purchased by or provided through the Title XIX (Medicaid) and Title XXI (State Children's Health Insurance Program - SCHIP) programs.

The passage of this bill as modified would then not affect medications purchased under the Medicaid or SCHIP programs which are required by state and federal regulations to be returned and credited to the state. These regulations are in place to protect the financial integrity of the Medicaid program and to curtail prescription drug waste. However, medications paid for by the Medicare prescription drug benefit can be donated by the beneficiary to state agencies and charitable organizations. We believe that this bill could potentially prevent the waste of unused medications purchased by private citizens or other third party health plans such as Medicare Part D, and in doing so, benefit the medically indigent population of the state of Kansas.

Thank you for this opportunity to present these comments. We would be happy to field any questions the Committee may have.