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Revised Fiscal Note

(replaces fiscal note dated March 1, 2020)

Drafting Number: LLS 21-0369 Date: May 10, 2021
Prime Sponsors: Sen. Jaquez Lewis; Pettersen; Rep. Mullica; Rich Bill Status: House HHS Fiscal Analyst: Max Nardo | 303-866-4776 Max.Nardo@state.co.us

Bill Topic: SUNSET PRESCRIPTION DRUG MONITORING PROGRAM

- Summary of Fiscal Impact: [X] State Revenue [X] State Expenditure [] State Transfer [] TABOR Refund [] Local Government [] Statutory Public Entity

Sunset Bill. SB 21-098 continues the Prescription Drug Monitoring Program in the Department of Regulatory Agencies, which is scheduled to repeal on July 1, 2021. State fiscal impacts include new workload from changes to the program, as well as the continuation of the program's current revenue and expenditures. The program is continued indefinitely.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill.

Table 1 State Fiscal Impacts Under SB 21-098^1

Table with 3 columns: Category, Budget Year FY 2021-22, Out Year FY 2022-23. Rows include New Impacts (Revenue, Expenditures), Continuing Impacts (Revenue, Expenditures with Cash Funds and Continuing FTE), and TABOR Refund.

^1 Table 1 shows the new impacts resulting from changes to the program under the bill and the continuing impacts from extending the program beyond its current repeal date. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

Current law requires the Prescription Drug Monitoring Program (PDMP), which is administered by the Department of Regulatory Agencies (DORA), to track all controlled substances prescribed in Colorado. The program is scheduled to repeal on July 1, 2021. The bill continues the program indefinitely and makes the following modifications:

- authorizes the State Board of Pharmacy to identify additional prescription drugs and substances that have potential for abuse and require these prescriptions to be reported to the program;
- authorizes the State Board of Pharmacy to establish data retention policies for the program;
- allows a coroner to grant permission to a deputy coroner to query the program; and
- eliminates a requirement that the State Board of Pharmacy seek donations to maintain the program.

Background

The PDMP currently covers 45,700 practitioners, including dentists, doctors, nurses, optometrists, podiatrists, and veterinarians, who collectively issue about seven million prescriptions annually for controlled substances. These prescriptions tracked by the PDMP result in 1,440 calls to DORA, 1,100 patient requests for data, and 250 subpoenas for information each year. The State Board of Pharmacy contracts with APPRISS Health to administer the database and manage the collection of data while DORA staff oversee the PDMP. Operating costs for the program are paid as a PDMP surcharge on license renewal fees by these practitioners.

Continuing Program Impacts

DORA is expected to have state revenue and expenditures of \$548,400 and 1.2 FTE to administer the PDMP. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2022-23. This continuing revenue is subject to the state TABOR limits. If this bill is not enacted, the program will end on July 1, 2022, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2022-23 by the amounts shown in Table 1. The program also includes federal grants; these impacts are not included in the fiscal note.

New Revenue and Expenditure Impacts

Implementing the changes to the program will increase workload in DORA for rulemaking, outreach and education; this work can be accomplished within existing appropriations. Should the State Board of Pharmacy elect to add new prescription drugs to the PDMP, costs for staffing and the PDMP vendor may increase. The magnitude of the increase is dependent on the drugs that are newly tracked, the volume of prescriptions issued, and the workload created for the vendor and the department, which cannot be estimated. If necessary, the department will seek additional appropriations through the annual budget process.

The State Board of Pharmacy was unable to secure donations over the past five years, so eliminating the requirement to seek donations will not reduce state revenue.

Effective Date

The bill takes effect July 1, 2021.

State and Local Government Contacts

Counties	Health Care Policy and Financing	Information Technology
Regulatory Agencies	Public Health and Environment	