



Legislative Council Staff  
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# Fiscal Note

**Drafting Number:** LLS 22-0086 **Date:** February 9, 2022  
**Prime Sponsors:** Rep. Kipp; Soper **Bill Status:** House Health & Insurance  
 Sen. Pettersen; Jaquez Lewis **Fiscal Analyst:** Erin Reynolds | 303-866-4146  
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**Bill Topic:** PRESCRIPTION DRUG MONITORING PROGRAM

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill modifies the Prescription Drug Monitoring Program to ensure its use and creates a reimbursement program for integrating the program with electronic medical records. It will increase state expenditures in FY 2022-23 only.

**Appropriation Summary:** For FY 2022-23, the bill requires an appropriation of \$2.2 million to the Department of Regulatory Agencies.

**Fiscal Note Status:** The fiscal note reflects the introduced bill.

**Table 1**  
**State Fiscal Impacts Under HB 22-1115**

		Budget Year FY 2022-23	Out Year FY 2023-24
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$2,211,749	-
	Centrally Appropriated	\$13,251	-
	<b>Total Expenditures</b>	<b>\$2,225,000</b>	-
	<b>Total FTE</b>	<b>0.5 FTE</b>	-
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$333,750	-

## Summary of Legislation

The bill requires prescribers to query the Prescription Drug Monitoring Program (PDMP) prior to filling a prescription for an opioid or benzodiazepine. By July 1, 2023, the bill requires each prescriber and pharmacist, as a condition of license renewal, to attest that they have registered and are maintaining a PDMP user account and that they are aware of the penalties for noncompliance. The bill allows PDMP-registered prescribers and pharmacists to authorize an unlimited number of eligible designees that may access the PDMP through their account.

The bill also requires the Division of Professions and Occupations in the Department of Regulatory Agencies (DORA) to solicit applications from public and private integration organizations and, by January 1, 2023, approve qualified integration organizations that prescribers and pharmacists may use to integrate the PDMP with patient electronic medical records. The division must implement a process for practitioners and pharmacists to apply for and receive reimbursement from the division for all or a portion of the costs of integrating the program with their electronic medical records, and the bill requires a General Fund appropriation of \$2,225,000 to the division for this purpose.

## Background

The Office of the State Auditor published a performance audit of the PDMP in March 2021: <https://leg.colorado.gov/audits/colorado-prescription-drug-monitoring-program>.

## State Expenditures

The bill increases state expenditures in the Department of Regulatory Agencies by \$2,225,000 in FY 2022-23 from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 22-1115**

	FY 2022-23	FY 2023-24
<b>Department of Regulatory Agencies</b>		
Personal Services	\$37,250	-
Operating Expenses	\$675	-
Capital Outlay Costs	\$6,200	-
Electronic Medical Records Assistance	\$2,167,624	-
Centrally Appropriated Costs <sup>1</sup>	\$13,251	-
<b>Total Cost</b>	<b>\$2,225,000</b>	<b>-</b>
<b>Total FTE</b>	<b>0.5 FTE</b>	<b>-</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Regulatory Agencies.** The Division of Professions and Occupations will require a total of 0.5 FTE in FY 2022-23 to develop solicitations, process applications, and determine eligibility for electronic medical records assistance. Costs assume a September 1 start date and include standard operating and capital outlay costs. The remainder of funding will be distributed to approved healthcare organizations to reimburse their costs to integrate the PDMP with their electronic medical records.

**Centrally appropriated costs.** Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are shown in Table 2.

## Other Budget Impacts

**General Fund reserve.** Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by \$333,750 in FY 2022-23, which will decrease the amount of General Fund available for other purposes.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State Appropriations

For FY 2022-23, the bill requires a General Fund appropriation of \$2,225,000 to the Department of Regulatory Agencies, and 0.5 FTE.

## State and Local Government Contacts

Information Technology

Law

Regulatory Agencies