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Revised Fiscal Note

(replaces fiscal note dated March 10, 2022)

Drafting Number: LLS 22-0086 **Date:** May 5, 2022
Prime Sponsors: Rep. Kipp; Soper **Bill Status:** Senate Appropriations
 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 checked="" 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 to be administered by the Department of Regulatory Agencies for integrating the program with electronic medical records. It creates a one-time state transfer and increases state expenditures from FY 2022-23 to FY 2024-25.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$2.1 million to the Department of Regulatory Agencies.

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

Table 1
State Fiscal Impacts Under HB 22-1115

		Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-	-
Expenditures	Cash Funds	\$2,016,475	\$19,771	\$9,886
	Centrally Appropriated	\$5,047	\$5,656	\$3,828
	Total Expenditures	\$2,021,522	\$25,427	\$13,714
	Total FTE	0.2 FTE	0.2 FTE	0.2 FTE
Transfers	General Fund	(\$2,060,664)	-	-
	Cash Funds	\$2,060,664	-	-
	Net Transfer	\$0	-	-
Other Budget Impacts		-	-	-

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, 2024, 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.

Subject to available funding, the bill 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 July 1, 2024, 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 allowing prescribers and pharmacists who have not integrated electronic medical records with the PDMP, to apply for and receive reimbursement from an approved qualified integration organization for all or a portion of the costs of integration. The bill requires a General Fund appropriation for electronic medical records assistance and administrative costs to the Prescription Drug Monitoring Fund in FY 2022-23, which remains in the fund for this purpose through December 30, 2024.

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 Transfer

In FY 2022-23, the bill requires a transfer of \$2,060,664 from the General Fund to the Prescription Drug Monitoring Fund. This amount represents \$2.0 million for electronic medical records assistance and three years of administration costs. Currently, the reengrossed bill includes a transfer of \$2,045,198.

State Expenditures

The bill increases state expenditures in DORA by \$2,021,522 in FY 2022-23, \$25,427 in FY 2023-24, and \$13,714 in FY 2024-25 from the Prescription Drug Monitoring Fund. Costs are outlined in Table 2 and detailed below.

Table 2
Expenditures Under HB 22-1115

	FY 2022-23	FY 2023-24	FY 2024-25
Department of Regulatory Agencies			
Personal Services	\$16,475	\$19,771	\$9,886
Electronic Medical Records Assistance	\$2,000,000	-	-
Employee Insurance and Supplemental Retirement	\$5,047	\$5,656	\$3,828
Total Cost	\$2,021,522	\$25,427	\$13,714
Total FTE	0.2 FTE	0.2 FTE	0.2 FTE

Department of Regulatory Agencies. The Division of Professions and Occupations will require 0.2 FTE to develop solicitations, determine eligibility for electronic medical records assistance funding, and perform related accounting and reporting through December 2024. The amount to be granted for electronic medical records assistance is \$2.0 million.

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 an appropriation of \$2,060,664 from the Prescription Drug Monitoring Fund to the Department of Regulatory Agencies and 0.2 FTE.

State and Local Government Contacts

Information Technology

Law

Regulatory Agencies