



**Colorado
Legislative
Council
Staff**

HB16-1358

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0736 **Date:** June 29, 2016
Prime Sponsor(s): Rep. Singer; Conti **Bill Status:** Postponed Indefinitely
 Sen. Lundberg; Jahn **Fiscal Analyst:** Amanda Hayden (303-866-4918)

BILL TOPIC: PROTECT PRIVACY OF SUBSTANCE USE DISORDER PATIENTS

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	<u>\$38,000</u>	
General Fund	38,000	Workload increase.
Appropriation Required: \$38,000 - Department of Human Services (FY 2016-17).		
Future Year Impacts: None.		

NOTE: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill requires the Office of Behavioral Health (OBH) in the Department of Human Services (DHS) to review its own and other states' policies and procedures, as well as federal requirements, regarding the collection and protection of data with substance use disorder patients' personal identifying information. OBH must conduct the review on or before December 1, 2016, use it to identify necessary changes or improvements to its policies, and implement any changes identified as soon as practicable.

On and after December 1, 2016, OBH may no longer collect the personal identifying information of substance use disorder patients whose care is paid for entirely by private funds or private insurance. The bill provides exceptions:

- for records of any controlled substance distributed, administered, dispensed, or used;
- if the patient is a DUI offender in treatment as a condition of probation;
- for any patient whose treatment is paid for with state or federal funds; or
- as necessary to fulfill federal requirements.

State Expenditures

This bill increases state General Fund expenditures by \$38,000 in FY 2016-17 in DHS. The bill requires DHS to review its own and other states' policies and procedures, as well as federal requirements, regarding the collection of substance use disorder patients' personal identifying

information. To complete the review by December 1, 2016, and prepare to implement any recommended changes, DHS must hire a consultant with legal expertise. The fiscal note assumes the consultant will work 40 hours per week for 10 weeks at \$95 per hour, resulting in a \$38,000 increase in General Fund expenditures.

Workload and costs in DHS may increase depending on the recommendations following the review. Once the recommendations are known, the fiscal note assumes that DHS will request any required funding through the annual budget process.

Effective Date

The bill was postponed indefinitely by the House Appropriations Committee on May 5, 2016.

State Appropriations

In FY 2016-17, the bill requires a General Fund appropriation of \$38,000 to the Department of Human Services.

Departmental Difference

In FY 2016-17, DHS estimates that the bill increases General Fund expenditures by an additional \$679,020. This cost is to update electronic database systems to ensure that the state does not collect the personal identifying information of patients paying for services with private insurance or personal funds. The fiscal note disagrees with this assessment. Providers serving private pay patients who do not consent to share their information with the state can ensure the information is not collected by OBH without the need for system modifications.

State and Local Government Contacts

Human Services
Judicial

Information Technology
Revenue