



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**SB 19-228**

# FINAL FISCAL NOTE

<b>Drafting Number:</b>	LLS 19-1084	<b>Date:</b>	August 8, 2019
<b>Prime Sponsors:</b>	Sen. Winter; Moreno Rep. Buentello; Singer	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** SUBSTANCE USE DISORDERS PREVENTION MEASURES

**Summary of Fiscal Impact:**

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

The bill provides funding for the implementation of several programs for the prevention of opioid and other substance use disorders. On an ongoing basis, the bill will increase state expenditures, local government revenue and expenditures, and potentially state revenue from gifts, grants, and donations.

**Appropriation Summary:** For FY 2019-20, the bill requires and includes an appropriation of \$4,292,367 to multiple state agencies.

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

**Table 1  
State Fiscal Impacts Under SB 19-228**

		FY 2019-20	FY 2020-21
<b>Revenue</b>		-	-
<b>Expenditures</b>	Marijuana Tax Cash Fund	\$4,292,367	\$1,462,961
	Centrally Appropriated	\$86,997	\$25,208
	<b>Total</b>	<b>\$4,379,364</b>	<b>\$1,488,169</b>
	<b>Total FTE</b>	<b>3.0 FTE</b>	<b>1.6 FTE</b>
<b>Transfers</b>		-	-
<b>TABOR Refund</b>		-	-

## **Summary of Legislation**

The bill provides funding for the implementation of several programs for the prevention of opioid and other substance use disorders in the Department of Human Services (DHS), the Department of Public Health and Environment (CDPHE) and local public health agencies (LPHAs), and the University of Colorado.

**Grant and pilot programs — DHS.** The bill creates two programs in the Office of Behavioral Health in the DHS, as discussed below.

- *Charlie Hughes and Nathan Gauna Opioid Prevention Grant Program.* The bill requires that the office, in coordination with the administration of the state block grant, purchase prevention services from one or more community-based youth development organizations that administer evidence-based substance use prevention programs to youth and families. The office may use up to 10 percent of the money appropriated to the program for administration and evaluation of the program. The program repeals on September 1, 2020.
- *Maternal and Child Health Pilot Program.* The bill creates the Maternal Child Health Pilot Program in the office and requires an annual appropriation from the Marijuana Tax Cash Fund (MTCF) to the program for three years (FY 2019-20 to FY 2021-22). The program is created to integrate substance use disorder and medication-assisted treatment with obstetric and gynecological health care at three treatment facilities and six clinics. The DHS may roll forward any unspent appropriations to the following fiscal year without further appropriation, except that any unspent money reverts to the MTCF at the end of FY 2021-22.

The DHS may also conduct research related to prenatal substance abuse exposure and related newborn and family health and human services outcomes and must report the results of any such research to the joint health committees of the General Assembly beginning January 2021 and every two years thereafter.

**State and local public health funding — CDPHE and LPHAs.** In FY 2019-20, the bill appropriates \$2.0 million MTCF to the CDPHE to pursue measures at the state and local levels to address opioid and other substance use disorder priorities. CDPHE may retain up to \$500,000 of this appropriation, with the remainder passed through to LPHAs.

**University of Colorado.** The bill places several requirements on the Center for Research into Substance Use Disorder Prevention, Treatment, and Recovery Support Strategies (center) at the University of Colorado and requires the College of Nursing to provide specified technical assistance.

- *Public awareness program.* The center must develop and implement a program to increase public awareness about the safe use, storage, and disposal of opioids, and about the availability of antagonist drugs, for which the General Assembly is required to annually appropriate \$750,000 to the center from the MTCF.
- *Grant assistance.* The center is required to hire three staff to assist local communities in applying for grants, for which the General Assembly is required to appropriate funds in FY 2019-20.

- *Perinatal substance use data linkage project.* The center is required to conduct a statewide perinatal substance use data linkage project to inform the planning, implementation, and evaluation of public health actions to improve outcomes for families impacted by substance use during pregnancy.

**Disease-related reporting.** The bill requires the DHS, the Department of Health Care Policy and Financing, and the Department of Corrections (DOC) to report to the health committees of the General Assembly by December 31, 2019, on the amount of federal funds that each is receiving or is eligible to receive for use in testing for hepatitis and HIV and the number of individuals currently and anticipated to be tested. The departments are also required to share eligibility standards for treatment with primary care providers.

**Prescription and provider-related measures.** The bill requires certain health care providers with prescriptive authority, including podiatrists, dentists, advanced practice nurses, optometrists, and veterinarians, to complete substance use disorder training as part of the continuing education requirement for professional license renewal. The bill prohibits a physician or physician assistant from accepting any direct or indirect benefits for prescribing a specific medication. The bill allows medical examiners and coroners to access the prescription drug monitoring program (PDMP) under specified circumstances. Finally, the bill requires opioid prescriptions for outpatient use to bear a warning label.

## **State Revenue**

This bill potentially increases state revenue to the DHS from gifts, grants, and donations. It is assumed this revenue will be deposited into a cash fund at the DHS. At this time, no source of such funding has been identified. Any revenue from gifts, grants, and donations received is exempt from the state TABOR limits.

## **State Expenditures**

This bill increases state expenditures by \$4.3 million and 3.0 FTE in FY 2019-20 and \$1.5 million and 2.1 FTE in FY 2020-21 paid from MTCF. Expenditures are incurred by the DHS, the CDPHE, and the University of Colorado, as shown in Table 2 and discussed below. The bill will also increase workload for the DOC, the Department of Regulatory Agencies (DORA) and the Judicial Department.

**Table 2  
Expenditures Under SB 19-228**

<b>Cost Components</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Department of Human Services</b>		
Personal Services	\$165,250	\$121,441
Operating Expenses and Capital Outlay Costs	\$11,401	\$1,520
Youth Opioid and Substance Use Prevention Grant Program	\$455,716	-
Maternal and Child Health Pilot Program	\$560,000	\$540,000
Centrally Appropriated Costs*	\$33,619	\$25,208
FTE – Personal Services	2.1 FTE	1.6 FTE
<b>DHS (Subtotal)</b>	<b>\$1,225,986</b>	<b>\$688,169</b>
<b>Department of Public Health and Environment</b>		
Personal Services	\$64,199	-
Operating Expenses and Capital Outlay Costs	\$5,653	-
Pass-through to Local Public Health Agencies	\$1,564,148	-
Local Data Collection	\$364,000	-
Training	\$2,000	-
Centrally Appropriated Costs*	\$53,378	-
FTE – Personal Services	0.9 FTE	-
<b>CDPHE (Subtotal)</b>	<b>\$2,053,378</b>	<b>-</b>
<b>University of Colorado</b>		
Public Opioid Awareness Campaign (MTCF)	\$750,000	\$750,000
Grant Assistance	\$250,000	-
Perinatal Data Linkage Study	\$100,000	\$50,000
<b>CU (Subtotal)</b>	<b>\$1,100,000</b>	<b>\$800,000</b>
<b>Total</b>	<b>\$4,379,364</b>	<b>\$1,488,169</b>
<b>Total FTE</b>	<b>3.0 FTE</b>	<b>1.6 FTE</b>

\* Centrally appropriated costs are not included in the bill's appropriation.

**Department of Human Services.** The DHS will have costs from the MTCF of \$1,225,986 and 2.1 FTE in FY 2019-20 and \$688,169 and 1.6 FTE in FY 2020-21.

- *Opioid Prevention Grant Program.* The program requires \$500,000 in FY 2019-20, which will be used to purchase prevention services from a youth development organization. DHS will use 10 percent of the funding to administer and evaluate the program, which equates to 0.5 FTE Program Manager.

- *Maternal and Child Health Pilot Program.* The DHS will operate six pilot sites, including two treatment facilities and four clinics. It is assumed that each treatment facility grantee will receive \$200,000 in the first year for equipment, supplies, and personnel, and \$190,000 in subsequent years. Each medical clinic grantee is assumed to receive \$40,000 per year for staff training in behavioral health and other expenses. The DHS requires a staffing consisting of 1.0 FTE Program Manager, 0.3 FTE Data Management, and 0.3 FTE Contract Administrator to oversee the program, for which standard operating and capital outlay costs are included.

**Department of Public Health and Environment.** In FY 2019-20 only, the bill increases MTCF expenditures by \$2.0 million and 0.9 FTE in the CDPHE for the purpose of working at the state and local levels to address opioid and other substance use disorder priorities. Of this amount, \$1.5 million will be passed through to LPHAs.

**University of Colorado.** The bill increases MTCF expenditures for the University of Colorado by \$1,100,000 in FY 2019-20 and \$800,000 in FY 2020-21. These costs are described below.

- *Public awareness program.* The center is appropriated \$750,000 from the MTCF to develop and implement a program to increase public awareness about opioids, including safe use, storage, disposal, and the availability of antagonist drugs.
- *Grant assistance.* The center is required to hire an additional three staff to assist local communities in applying for grants, which is estimated to cost \$80,000 per staff plus \$10,000 in related operating expenses with the remaining funding used for grants.
- *Perinatal substance use data linkage project.* The center is required to conduct a statewide perinatal substance use data linkage project, estimated to cost \$100,000 in FY 2019-20 and \$50,000 in FY 2020-21.

**Disease-related reporting.** The DHS, CDPHE, and the Department of Corrections can report to the health committees of the General Assembly on federal funding receipt and eligibility related to hepatitis and HIV testing within existing resources.

**Department of Regulatory Agencies.** DORA will have increased workload in three areas of the Division of Professions and Occupations. First, the division will be required to update rules and communicate with regulated health professionals about the changes to the continuing education requirements and the prohibition on physicians and physician assistants from accepting benefits related to specific prescriptions. Second, it will be required to update the access rules and provide technical support to allow medical examiners and coroners to access the PDMP. Finally, the Pharmacy Board will conduct rulemaking related to warning label requirements. These workload impacts can be accomplished within existing appropriations.

**Judicial Department.** The bill may increase trial court workload in the Judicial Department if the state seeks injunctions against physicians and physician assistants who do not comply with the prohibition from accepting benefits for prescribing specific medicines to a patient. Any impact is assumed to be minimal and no change in appropriations is required.

**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, supplemental employee retirement payments, and indirect cost assessments, are estimated to be \$86,997 in FY 2019-20 and \$25,208 in FY 2020-21.

## **Local Government**

This bill impacts local government revenue and expenditures in two ways. First, it increases funding and associated expenditures for local public health agencies in FY 2019-20. Second, to the extent that any local government agencies or health facilities receive grants from programs created under the bill, revenue and corresponding expenditures and workload will increase.

## **Effective Date**

The bill was signed into law by the Governor and took effect on May 23, 2019, except that Sections 14 through 18 take effect October 1, 2019.

## **State Appropriations**

For FY 2019-20, the bill requires and includes the following appropriations from the Marijuana Tax Cash Fund:

- \$1,192,367 to the Department of Human Services and an allocation of 2.1 FTE;
- \$2,000,000 to the Department of Public Health and Environment and an allocation of 0.9 FTE; and
- \$1,100,000 to the Department of Higher Education to be reappropriated to the University of Colorado.

## **State and Local Government Contacts**

Counties  
Higher Education  
Information Technology  
Public Health and Environment

Health Care Policy and Financing  
Human Services  
Judicial  
Regulatory Agencies