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**SB 19-228**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated April 11, 2019)

**Drafting Number:** LLS 19-1084  
**Prime Sponsors:** Sen. Winter; Moreno  
Rep. Buentello; Singer

**Date:** April 16, 2019  
**Bill Status:** Senate Appropriations  
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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 an appropriation of \$9.6 million to multiple state agencies.

**Fiscal Note Status:** The revised fiscal note reflects the introduced bill, as amended by the Senate Health and Human Services Committee.

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

		<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$6,463,262	\$3,168,123
	Marijuana Tax Cash Fund	\$3,150,000	\$2,922,000
	Centrally Appropriated	\$122,699	\$75,624
	<b>Total</b>	<b>\$9,735,961</b>	<b>\$6,165,747</b>
	<b>Total FTE</b>	<b>5.3 FTE</b>	<b>4.8 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.

**Grant and pilot programs in the Department of Human Services.** The bill creates three programs in the Office of Behavioral Health in the Department of Human Services (DHS), as discussed below.

- *Youth Opioid and Substance Use Prevention Grant Program.* The bill requires that \$2.0 million per year be appropriated from the Marijuana Tax Cash Fund to the newly created Youth Opioid and Substance Use Prevention Fund for five years (FY 2019-20 to FY 2023-24). Money in the fund is continuously appropriated to the DHS to cover the direct and indirect program costs. Entities applying for grants under the program must administer an evidence-based program for preventing youth opioid use.
- *Local Substance Use Disorder Prevention and Recovery Pilot and Grant Program.* The bill requires that \$2.0 million per year be appropriated from the General Fund to the newly created Local Substance Use Disorder Prevention and Recovery Pilot Program Fund for five years (FY 2019-20 to FY 2023-24). The fund is continuously appropriated to the DHS to cover direct and indirect program costs. The program is created to make grants for the purposes of supporting the full spectrum of substance use disorder prevention and treatment for children and families who have not successfully connected to services. The grant program is run in coordination with the Department of Public Health and Environment (CDPHE).
- *Maternal and Child Health Pilot Program.* The bill requires that General Fund money be annually appropriated for three years (FY 2019-20 to FY 2021-22) to the DHS to operate the Maternal and Child Health Pilot Program. 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 General Fund at the end of FY 2021-22.

**State and local public health funding.** In FY 2019-20, the bill appropriates \$3.0 million General Fund to the CDPHE to pursue measures at the state and local levels to address opioid and other substance use disorder priorities. Of this amount, \$4.5 million is passed through to local public health agencies.

**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 Marijuana Tax Cash Fund.
- *Grant assistance.* The center is required to hire additional 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, for which the General Assembly is required to appropriate \$100,000 General Fund for FY 2019-20 and FY 2020-21.
- *Women's health pilot program.* The center must establish a pilot program to test the implementation of screening, brief intervention, and referral to treatment (SBIRT) for women's health and prenatal and postpartum care in five counties, for which the General Assembly is directed to appropriate \$228,000 from the Marijuana Tax Cash Fund in FY 2019-20.
- *Training and technical assistance program.* The College of Nursing at the University of Colorado is required to implement and provide a training and technical assistance program for health care and mental health care providers in specified counties regarding SBIRT online training and tools to teach women of the risks of alcohol and substance use during pregnancy, for which the General Assembly is directed to appropriate \$172,000 per year from the Marijuana Tax Cash Fund in FY 2019-20 and FY 2020-21.

**Disease-related reporting.** The bill requires the DHS, the Department of Health Care Policy and Financing, and the Department of Corrections 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 Department of Human Services. 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 \$9.7 million and 5.3 FTE in FY 2019-20 and \$6.2 million and 4.8 FTE in FY 2020-21, with costs continuing in future years. These costs, which are paid using General Fund and Marijuana Tax Cash Fund moneys, are incurred in the DHS, CDPHE, and the University of Colorado, as shown in Table 2 and discussed below. The bill will also increase workload for the Department of Corrections (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	\$333,966	\$364,327
Operating Expenses and Capital Outlay Costs	\$28,075	\$4,560
Evaluation Costs	\$111,221	\$109,236
Youth Opioid and Substance Use Prevention Program (MTCF)	\$2,000,000	\$2,000,000
Local Substance Use Disorder Prevention and Recovery Program	\$2,000,000	\$2,000,000
Maternal and Child Health Pilot Program	\$840,000	\$540,000
Centrally Appropriated Costs*	\$69,321	\$75,624
FTE – Personal Services	4.4 FTE	4.8 FTE
<b>DHS (Subtotal)</b>	<b>\$5,382,583</b>	<b>\$5,093,747</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	\$2,564,148	-
Local Data Collection	\$364,000	-
Training	\$2,000	-
Centrally Appropriated Costs*	\$53,378	-
FTE – Personal Services	0.9 FTE	-
<b>CDPHE (Subtotal)</b>	<b>\$3,053,378</b>	<b>-</b>
<b>University of Colorado</b>		
Public Opioid Awareness Campaign (MTCF)	\$750,000	\$750,000
Grant Assistance	\$50,000	\$50,000
Perinatal Substance Use Data Linkage Project	\$100,000	\$100,000
Women's Health Pilot Program (MTCF)	\$228,000	-
Training and Technical Assistance Program (MTCF)	\$172,000	\$172,000
<b>CU (Subtotal)</b>	<b>\$1,300,000</b>	<b>\$1,072,000</b>
<b>Total</b>	<b>\$9,735,961</b>	<b>\$6,165,747</b>
<b>Total FTE</b>	<b>5.3 FTE</b>	<b>4.8 FTE</b>

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

**Department of Human Services.** The DHS will have costs of \$5.4 million and 4.4 FTE in FY 2019-20 and \$5.1 million and 4.8 FTE in FY 2020-21, paid from the General Fund and the Marijuana Tax Cash Fund.

- *Staffing costs.* The DHS requires three staffing units for each of the three programs created under the bill consisting of 1.0 FTE Program Manager, 0.3 FTE Data Management, and 0.3 Contract Administrator per unit, resulting in a total of 4.8 FTE. Standard operating costs and capital outlay expenses are included. First-year costs assume a July 1, 2019, start date and are prorated to reflect the General Fund pay date shift.

- *Youth Opioid and Substance Use Prevention Grant Program.* The program must be appropriated \$2.0 million per year from the Marijuana Tax Cash Fund, which will be used to issue grants to eligible entities and programs.
- *Local Substance Use Disorder Prevention and Recovery Pilot and Grant Program.* The program must be appropriated \$2.0 million General Fund per year, which will be used to issue grants to eligible entities and programs.
- *Maternal and Child Health Pilot Program.* As required by the bill, the fiscal note assumes that the DHS will operate nine pilot sites, including three treatment facilities and six clinics. It is estimated that each treatment facility grantee will receive \$200,000 in the first year for equipment, supplies, and personnel, and \$100,000 in subsequent years. Each medical clinic grantee is assumed to receive \$40,000 per year for staff training in behavioral health and other expenses.

**Department of Public Health and Environment.** In FY 2019-20 only, the bill increases General Fund expenditures by \$3.0 million and 0.9 FTE in the Department of Public Health and Environment (CDPHE) for the purpose of working at the state and local levels to address opioid and other substance use disorder priorities. Of this amount, \$2.5 million will be passed through to local public health agencies.

**University of Colorado.** The bill increases expenditures for the center and the College of Nursing by \$1.3 million in FY 2019-20 and \$1.1 million in FY 2020-21. These costs are described below.

- *Public awareness program.* The center is appropriated \$750,000 from the Marijuana Tax Cash Fund 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 additional staff to assist local communities in applying for grants. The fiscal note assumes \$50,000 General Fund is required.
- *Perinatal substance use data linkage project.* The center is appropriated \$100,000 General Fund to conduct a statewide perinatal substance use data linkage project.
- *Women's health pilot program.* The center is appropriated \$228,000 from the Marijuana Cash Fund in FY 2019-20 only to establish a pilot program to test the implementation of screening, brief intervention, and referral to treatment for women's health and prenatal and postpartum care in five counties.
- *Training and technical assistance program.* The College of Nursing is appropriated \$172,000 to implement and provide a training and technical assistance program for health care and mental health care providers in specified counties regarding SBIRT online training and tools to teach women of the risks of alcohol and substance use during pregnancy.

**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 \$122,699 in FY 2019-20 and \$75,624 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 under any of the various programs created by the bill, revenue and corresponding expenditures and workload will increase.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, except that Sections 16 through 23 take effect only if the Title 12 Recodification bill, House Bill 19-1172, is passed, in which case these sections take effect October 1, 2019.

## **State Appropriations**

For FY 2019-20, the bill requires appropriations totaling \$9.6 million, as follows:

- the Department of Human Services requires \$3,313,262 General Fund and an allocation of 4.4 FTE, and \$2,000,000 from the Marijuana Tax Cash Fund;
- the Department of Public Health and Environment requires \$3,000,000 General Fund an allocation of 0.9 FTE; and
- the University of Colorado requires \$150,000 General Fund and \$1,150,000 from the Marijuana Tax Cash Fund.

## **State and Local Government Contacts**

Counties	Health Care Policy and Financing
Higher Education	Human Services
Information Technology	Judicial
Public Health and Environment	Regulatory Agencies