

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING MEASURES TO REDUCE HEALTH CARE COSTS RELATED TO PRESCRIPTION DRUG PRICES, AND, IN CONNECTION THEREWITH, CREATING THE "COLORADO PRESCRIPTION DRUG PRICE TRANSPARENCY ACT OF 2020" TO REQUIRE HEALTH INSURERS, PRESCRIPTION DRUG MANUFACTURERS, PHARMACY BENEFIT MANAGEMENT FIRMS, AND NONPROFIT ORGANIZATIONS TO REPORT SPECIFIED INFORMATION ABOUT THE COSTS OF PRESCRIPTION DRUGS TO THE COMMISSIONER OF INSURANCE AND TO DIRECT THE COMMISSIONER TO ANALYZE THE INFORMATION AND SUBMIT A REPORT REGARDING THE EFFECTS OF PRESCRIPTION DRUG COSTS ON HEALTH INSURANCE PREMIUMS; AND REQUIRING HEALTH INSURERS TO REDUCE INSURANCE PREMIUMS TO ADJUST FOR REBATES THE INSURERS RECEIVE FOR PRESCRIPTION DRUGS.

Prime Sponsors: Reps. Jackson and Roberts
Sens. Ginal and Donovan

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Appropriation Items of Note

Appropriation Required, Amendment in Packet

General Fund/TABOR Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 02/10/20.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House Health and Insurance Committee Report (02/12/20) includes amendments to the bill, however, Legislative Council Staff and JBC Staff agree that the committee amendments do not change the fiscal impact of the bill.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill requires but does not contain an appropriation clause.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to add a provision appropriating a total of \$273,119 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory Agencies. This provision also states that the appropriation is based on the assumption that the Department of Regulatory Agencies will require an additional 2.5 FTE

Additionally, the amendment includes a provision appropriating for FY 2020-21:

- \$44,800 reappropriated funds to the Office of the Governor for use by the Office of Information Technology; and
- \$17,056 reappropriated funds to the Department of Law, which is based on the assumption that the Department will require an additional 0.1 FTE.

Points to Consider

TABOR/ Excess State Revenues Impact

The general appropriations bill for FY 2020-21 has not yet been introduced. This bill is projected to increase cash fund revenues by \$341,074 for FY 2020-21, which would increase the amount required to be refunded under TABOR based on the most recent revenue forecasts. As TABOR refunds are paid from the General Fund, this bill would reduce the amount of General Fund available for other purposes.