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Fiscal Note

Drafting Number: LLS 21-0369 Date: March 01, 2021
Prime Sponsors: Sen. Jaquez Lewis; Pettersen Bill Status: Senate HHS
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Bill Topic: SUNSET PRESCRIPTION DRUG MONITORING PROGRAM

- Summary of Fiscal Impact: [X] State Revenue [X] State Expenditure [ ] State Transfer [ ] TABOR Refund [ ] Local Government [ ] Statutory Public Entity

Sunset Bill. SB 21-098 continues the Prescription Drug Monitoring Program in the Department of Regulatory Agencies, which is scheduled to repeal on July 1, 2021. State fiscal impacts include new workload from changes to the program, as well as the continuation of the program's current revenue and expenditures. The program is continued through September 1, 2028

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1 State Fiscal Impacts Under SB 21-098^1

Table with 3 columns: Category, Budget Year FY 2021-22, and Out Year FY 2022-23. Rows include New Impacts (Revenue, Expenditures), Continuing Impacts (Revenue, Expenditures), and TABOR Refund.

^1 Table 1 shows the new impacts resulting from changes to the program under the bill and the continuing impacts from extending the program beyond its current repeal date. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

## **Summary of Legislation**

Current law requires the Prescription Drug Monitoring Program (PDMP), which is administered by the Department of Regulatory Agencies (DORA), to track all controlled substances prescribed in Colorado. The program is scheduled to repeal on July 1, 2021. The bill extends the repeal date of the program until September 1, 2028, following a sunset review, and makes the following modifications:

- authorizes the State Board of Pharmacy to identify additional prescription drugs and substances that have potential for abuse and require these prescriptions to be reported to the program;
- authorizes the State Board of Pharmacy to establish data retention policies for the program;
- allows a coroner to grant permission to a deputy coroner to query the program; and
- requires reporting on efforts to seek donations during the department's SMART Act hearing.

## **Background**

The PDMP currently covers 45,700 practitioners, including dentists, doctors, nurses, optometrists, podiatrists, and veterinarians, who collectively issue about seven million prescriptions annually for controlled substances. These prescriptions tracked by the PDMP result in 1,440 calls to DORA, 1,100 patient requests for data, and 250 subpoenas for information each year. Operating costs for the program are paid as a PDMP surcharge on license renewal fees by these practitioners.

## **Continuing Program Impacts**

DORA is expected to have state revenue and expenditures of \$548,400 and 1.2 FTE to administer the PDMP. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2022-23. This continuing revenue is subject to the state TABOR limits. If this bill is not enacted, the program will end on July 1, 2022, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2022-23 by the amounts shown in Table 1. The program also includes federal grants; these impacts are not included in the fiscal note.

## **New Expenditures Impacts**

Implementing the changes to the program will increase workload in DORA for rulemaking, outreach and education; this work can be accomplished within existing appropriations. Should the State Board of Pharmacy elect to add new prescription drugs to the PDMP, staffing and IT costs may increase. The magnitude of the increase is dependent on the drugs that are newly tracked, the volume of prescriptions issued, and the workload created for the department, which cannot be estimated. If necessary, the department will seek additional appropriations through the annual budget process.

## **Effective Date**

The bill takes effect July 1, 2021.

**State and Local Government Contacts**

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Regulatory Agencies

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