



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 9, 2022)

Drafting Number:	LLS 22-0086	Date:	March 10, 2022
Prime Sponsors:	Rep. Kipp; Soper	Bill Status:	House Appropriations
	Sen. Pettersen; Jaquez Lewis	Fiscal Analyst:	Erin Reynolds 303-866-4146 Erin.Reynolds@state.co.us

Bill Topic: **PRESCRIPTION DRUG MONITORING PROGRAM**

Summary of Fiscal Impact:

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

The bill modifies the Prescription Drug Monitoring Program to ensure its use and creates a reimbursement program for integrating the program with electronic medical records. It will increase state expenditures from FY 2022-23 to FY 2024-25.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$2.2 million to the Department of Regulatory Agencies.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, as amended by the House Health and Insurance Committee.

Table 1
State Fiscal Impacts Under HB 22-1115

		Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-	-
Expenditures	General Fund	\$2,225,000	-	-
Transfers		-	-	-
Other Budget Impacts	General Fund Reserve	\$333,750	-	-

Summary of Legislation

The bill requires prescribers to query the Prescription Drug Monitoring Program (PDMP) prior to filling a prescription for an opioid or benzodiazepine. By July 1, 2024, the bill requires each prescriber and pharmacist, as a condition of license renewal, to attest that they have registered and are maintaining a PDMP user account and that they are aware of the penalties for noncompliance. The bill allows PDMP-registered prescribers and pharmacists to authorize an unlimited number of eligible designees that may access the PDMP through their account.

Subject to available funding, the bill requires the Division of Professions and Occupations in the Department of Regulatory Agencies (DORA) to solicit applications from public and private integration organizations and, by July 1, 2024, approve qualified integration organizations that prescribers and pharmacists may use to integrate the PDMP with patient electronic medical records. The division must implement a process allowing prescribers and pharmacists who have not integrated electronic medical records with the PDMP, to apply for and receive reimbursement from an approved qualified integration organization for all or a portion of the costs of integration. The bill requires a General Fund appropriation of \$2,225,000 to the division in FY 2022-23 to fund the integration.

Background

The Office of the State Auditor published a performance audit of the PDMP in March 2021: <https://leg.colorado.gov/audits/colorado-prescription-drug-monitoring-program>.

State Expenditures

The bill increases state expenditures in DORA by \$2,225,000 in FY 2022-23 from the General Fund. Table 2 outlines DORA's anticipated resource requirements assuming the \$2,225,000 in the bill will be expended over three fiscal years; see Technical Note.

Table 2
Expenditures Under HB 22-1115

	FY 2022-23	FY 2023-24	FY 2024-25
Department of Regulatory Agencies			
Personal Services	-	\$3,295	\$14,488
Electronic Medical Records Assistance	-	-	\$2,207,216
Centrally Appropriated Costs ¹	-	\$297	\$3,304
Total Cost	-	\$3,592	\$2,225,008
Total FTE	-	0.1 FTE	0.2 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Department of Regulatory Agencies. The Division of Professions and Occupations will require 0.2 FTE starting in May of FY 2023-24 to develop solicitations, process applications, and determine eligibility for electronic medical records assistance, continuing through December 31, 2024. This assumes the grant awards will occur in FY 2024-25 based on the bill's July 1, 2024, deadline. The remainder of funding will be distributed to qualified integration organizations to reimburse prescribers and pharmacists for costs to integrate the PDMP with electronic medical records.

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 and supplemental employee retirement payments, are shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve beginning in FY 2022-23. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by \$333,750 in FY 2022-23, which will decrease the amount of General Fund available for other purposes.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

Technical Note

Due to the bill's deadlines, the FY 2022-23 appropriation requires roll-forward spending authority through FY 2024-25, when the bill repeals.

State Appropriations

For FY 2022-23, the bill requires a General Fund appropriation of \$2,225,000 to the Department of Regulatory Agencies.

State and Local Government Contacts

Information Technology

Law

Regulatory Agencies