

**FINAL
FISCAL NOTE**

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| Drafting Number: LLS 14-0123 | Date: August 12, 2014 |
| Prime Sponsor(s): Rep. McCann | Bill Status: Signed into Law |
| Sen. Newell; Kefalas | Fiscal Analyst: Clare Pramuk (303-866-2677) |

SHORT TITLE: MODIFY PRESCRIPTION DRUG MONITORING PROGRAM

| Fiscal Impact Summary* | FY 2014-2015 | FY 2015-2016 |
|--|-----------------------|---------------------|
| State Revenue | | |
| State Expenditures | <u>\$7,500</u> | |
| Cash Funds | 7,500 | |
| FTE Position Change | | |
| Appropriation Required: See State Appropriations section. | | |

** This summary shows changes from current law under the bill for each fiscal year.*

Summary of Legislation

The Prescription Drug Monitoring Program (PDMP) uses a secure online database to store information about controlled substance prescriptions dispensed to patients by registered Colorado pharmacies. This bill requires that no later than January 1, 2015, every practitioner in the state who is registered to prescribe controlled substances, as well as every pharmacist, register and maintain a user account with the PDMP. Each practitioner and pharmacist may authorize up to three designees to access the database within certain parameters. The practitioner or pharmacist is subject to penalties for a negligent breach of confidentiality committed by his or her designee. Access to the database is expanded to include the departments of Public Health and Environment and Health Care Policy and Financing as well as some out-of-state pharmacists. The bill allows federally owned and operated pharmacies to submit information to the database.

The State Board of Pharmacy in the Department of Regulatory Agencies (DORA) oversees the PDMP. The bill requires the board to consult with the Dental Board, Medical Board, State Board of Nursing, State Board of Optometry, Colorado Podiatry Board, and the State Board of Veterinary Medicine to develop criteria for indicators of misuse, abuse, and diversion of controlled substances. Based on those criteria, the State Board of Pharmacy is required to distribute reports alerting prescribing practitioners and dispensing pharmacies of prescription-specific concerns.

The Executive Director of the DORA is required to either convene a PDMP task force or consult with and request assistance from the Colorado Consortium for Prescription Drug Abuse Prevention (consortium) to examine issues, opportunities, and weaknesses of the program. This examination is to look at how personal information is secured in the program and whether inclusion of personal identifying information in the program and access to that information is necessary. The task force or consortium will make recommendations on making the PDMP a more effective tool for practitioners and pharmacists in reducing prescription drug abuse and misuse and will submit annual reports to the executive director detailing its findings and recommendations. Members of the task force will serve on a voluntary basis and are not entitled to compensation or expense reimbursement.

Background

Data in the PDMP database include the name of the prescriber and patient, drug name and dosage, the quantity supplied, the number of refills, and the name of the dispensing pharmacy. The direct and indirect costs of the PDMP are funded with a surcharge set by DORA, and limited by statute, on prescriber licenses. The database is operated by a vendor with oversight by the State Board of Pharmacy within the Division of Professions and Occupations. The board has only received five complaints regarding unlawful use of the database since 2007.

State Expenditures

This bill is expected to increase cash fund expenditures by \$7,500 in FY 2014-15 only and increase workload for several boards in the DORA. These increases are described below.

PDMP Database Modifications. This bill requires a one-time cost of \$7,500 in FY 2014-15 for the Division of Professions and Occupations from the Prescription Drug Monitoring Cash Fund. These costs are for the vendor to modify the PDMP database to increase access to new users. House Bill 14-1173 also includes \$7,500 to modify the database for the same purpose so if HB14-1173 does not pass, this bill will require an appropriation of \$7,500.

DORA Boards. The Board of Pharmacy will have an increase in workload to develop criteria for indicators of misuse, abuse, and diversion of controlled substances. In developing these criteria, the board will consult with six other medical provider-related boards in the DORA which will also have increases in workload. The overall increase in workload is expected to be minimal and to not require new appropriations.

Task Force. This fiscal note assumes that rather than creating a new task force, the DORA will utilize the consortium to conduct the analysis of the PDMP. Because the DORA and a number of other state agencies currently voluntarily participate in the consortium, no new appropriation is required.

Effective Date

The bill was signed into law by the Governor and took effect on May 21, 2014.

State Appropriations

The Department of Regulatory Agencies requires an appropriation of \$7,500 from the PDMP Cash Fund for FY 2014-15.

State and Local Government Contacts

Corrections
Law
Sheriffs

Governor
Public Safety
Regulatory Agencies

Health Care Policy and Financing
Public Health and Environment