

Department of Planning and Budget 2005 Fiscal Impact Statement

- 1. Bill Number:** HB 2044
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|------------------------|--|-------------------------------------|------------------------------------|
| House of Origin | <input checked="" type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled |
- 2. Patron:** Phillip A. Hamilton
- 3. Committee:** Health, Welfare, and Institutions
- 4. Title:** Prescription Monitoring Program
- 5. Summary/Purpose:** Expands the Prescription Monitoring Program to include reporting by out-of-state dispensers (nonresident pharmacies) and to cover the entire Commonwealth. To assist in verifying the validity of a prescription, the bill extends the authority to query the system to prescribers licensed in other states and to pharmacists. The fourth and fifth enactment clauses of Chapter 481 of the 2002 Acts of Assembly are repealed to remove the funding contingencies and the restriction on the application of the program to a pilot project covering the southwestern region of Virginia. The program requires the reporting of “covered substances,” that, pursuant to this bill, will include all controlled substances in Schedules II, III, and IV of the Drug Control Act (§ 54.1-3400 et seq.) of Title 54.1. Emergency regulations must be promulgated by the Director. Although the bill will be effective in due course, i.e., July 1, 2005, its provisions will not be implemented or enforced until the date on which the emergency regulations become effective. The Director is required to notify all out-of-state and Virginia dispensers who will be newly subject to the reporting requirements of the Prescription Monitoring Program prior to the date on which the provisions of this act will be implemented and enforced.
- 6. Fiscal impact is preliminary (see item 8)**
- 7. Budget amendment necessary:** No. The introduced budget includes \$350,781 nongeneral fund appropriation and two positions in anticipation of federal grant funding.
- 8. Fiscal implications:** In April of 2003, the Department of Health Professions was awarded a federal grant through the Harold Rogers Prescription Drug Monitoring Program administered by the Bureau of Justice Assistance at the United States Department of Justice to implement and support initial operations of prescription monitoring pilot program through June 30, 2005.

The department expects another federal grant from the Harold Rogers Program in the amount of \$350,781, which was appropriated in the Governor’s introduced budget along with two support positions. This additional federal support will allow the department to carryout the requirements of this legislation through FY 2006, after which funding will have to be re-secured.

9. Specific agency or political subdivisions affected:

Department of Health Professions

10. Technical amendment necessary: No

11. Other comments: Chapter 481 of the 2002 Acts of the Assembly specified in the fourth enactment: “That the provisions of this act shall become effective on the date that sufficient federal funds or other grant monies are available to support the development and operation of the prescription monitoring program for its initial year of operation. After such initial year, the continuation of the prescription monitoring program shall be conditioned upon (i) the provision of appropriations from the general fund of the Commonwealth as set forth in the appropriation act or (ii) the receipt by the program of federal funds or other grant moneys or (iii) support provided through a combination of general fund appropriations and federal funds or other grant moneys.” That enactment clause would be repealed in this legislation

Date: 01/19/05 / kwm

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cc: Secretary of Health and Human Resources