

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 19, 2017**

**TO:** Honorable Charles Schwertner, Chair, Senate Committee on Health & Human Services

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB316** by Hinojosa (Relating to powers and duties of certain prescribers and dispensers of controlled substances and the regulatory agencies that issue a license, certification, or registration to the prescriber or dispenser; following the recommendations of the Sunset Advisory Commission.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB316, As Introduced: an impact of \$0 through the biennium ending August 31, 2019.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	\$0
2019	\$0
2020	\$0
2021	\$0
2022	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>	<b>Probable Revenue Gain/(Loss) from General Revenue Fund</b>	<b>Change in Number of State Employees from FY 2017</b>
	<b>1</b>	<b>1</b>	
2018	(\$118,797)	\$118,797	1.0
2019	(\$70,702)	\$70,702	1.0
2020	(\$70,702)	\$70,702	1.0
2021	(\$70,702)	\$70,702	1.0
2022	(\$70,702)	\$70,702	1.0

**Fiscal Analysis**

The bill would amend the Health and Safety Code relating to the powers and duties of certain

prescribers and dispensers of controlled substances and the regulatory agencies that issue a license, certification, or registration to the prescriber or dispenser; following the recommendations of the Sunset Advisory Commission.

The bill would amend the requirement for submission of prescription data to the Texas State Board of Pharmacy (TSBP) by pharmacists for the Prescription Monitoring Program (PMP). Additionally, the bill would require veterinarians to submit specific prescription information to TSBP not later than the next business day after filling a prescription and provide for certain retention schedules.

The bill would require regulatory agencies, including the Texas State Board of Dental Examiners, Optometry Board, Board of Veterinary Medical Examiners, Texas Medical Board, Texas Board of Nursing and the Board of Podiatric Medical Examiners to periodically access and monitor the Prescription Monitoring Program for prescribing behavior and dispensing patterns of licensees. The bill would allow a regulatory agency to notify a prescriber of potentially harmful behavior and allow for the opening of a complaint by the agency under certain requirements.

The bill would require the TSBP to work with the other regulatory agencies identified above and the Department of Public Safety (DPS) to determine conduct that indicates potentially harmful prescription patterns and permits TSBP to send electronic notifications to prescribers and dispensers meeting harmful patterns.

The bill would take effect on September 1, 2017.

## **Methodology**

Based on the analysis of the TSBP, it is assumed the TSBP would require one additional full-time-equivalent (FTE) to implement provisions of the bill relating to monitoring requirements by searching PMP data and providing the information to the other regulatory agencies, including the Texas State Board of Dental Examiners, Optometry Board, Board of Veterinary Medical Examiners, Texas Medical Board, Texas Board of Nursing and the Board of Podiatric Medical Examiners. This would have an estimated cost to General Revenue of \$74,797 in fiscal year 2018 and \$70,702 each year thereafter. TSBP estimates one-time start up costs of \$4,095 for the additional FTE and annual costs of \$50,111 in salaries and wages for a Program Specialist III, \$18,351 in employee benefits and other payroll contribution costs, and \$2,240 for other operating expenses.

Additionally, TSBP estimates a one-time cost of \$44,000 in General Revenue in fiscal year 2018 for modifications to the PMP to accommodate the additional required prescription information for veterinarians.

This analysis assumes that any increased cost to the TSBP, which is statutorily required to generate sufficient revenue to cover its costs of operation, would be offset by an increase in fee generated revenue by the agency and other regulatory agencies whose licensees are required to access the PMP, including the Texas State Board of Dental Examiners, Optometry Board, Board of Veterinary Medical Examiners, Texas Medical Board, Texas Board of Nursing and the Board of Podiatric Medical Examiners.

Based on the LBB's analysis of the Texas State Board of Dental Examiners, Optometry Board, Board of Veterinary Medical Examiners, Texas Medical Board, Texas Board of Nursing, Board of Podiatric Medical Examiners, Office of the Attorney General, Department of Public Safety, and State Office of Administrative Hearings, it is anticipated that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing

resources.

### **Technology**

The costs identified above include estimated one-time information technology costs of \$44,000 for PMP database changes and \$1,154 for equipment for the additional FTE at TSBP.

### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 116 Sunset Advisory Commission, 302 Office of the Attorney General, 360 State Office of Administrative Hearings, 405 Department of Public Safety, 503 Texas Medical Board, 504 Texas State Board of Dental Examiners, 507 Texas Board of Nursing, 512 Board of Podiatric Medical Examiners, 514 Optometry Board, 515 Board of Pharmacy, 578 Board of Veterinary Medical Examiners

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