HB 525

Department of Legislative Services

Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE
Revised

House Bill 525 (Delegate Kullen, *et al.*)
Health and Government Operations Finance

Advisory Council on Prescription Drug Monitoring - Study

This bill establishes an Advisory Council on Prescription Drug Monitoring in the Department of Health and Mental Hygiene to study the establishment of a prescription drug monitoring program (PDMP) that electronically collects and stores data concerning monitored prescription drugs. The council must submit an interim report by December 31, 2008 and a final report by December 31, 2009.

The bill takes effect June 1, 2008 and terminates May 31, 2010.

Fiscal Summary

State Effect: Assuming one-time federal funding is obtained, DHMH federal fund expenditures could increase by $48,200 in FY 2009 and general fund expenditures could increase by $42,100 in FY 2010 for one contractual position. No effect on revenues.

(in dollars)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Revenues	$0	$0	$0	$0	$0
GF Expenditure	0	42,100	0	0	0
FF Expenditure	48,200	0	0	0	0
Net Effect	($48,200)	($42,100)	$0	$0	$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The council must make recommendations to the Secretary of Health and Mental Hygiene for establishing a PDMP that: (1) assists health care providers and law enforcement professionals regarding prescription drug abuse and unlawful prescription drug diversion; (2) promotes a balanced use of prescription drug monitoring data; and (3) promotes appropriate and real-time access to prescription drug monitoring data.

The council must identify or determine • prescription drugs to be monitored; • dispensers that should be required to submit data; • data that should be submitted; • the process for submitting data; • recipients authorized to receive data; • circumstances under which an authorized recipient may disclose data; • confidentiality procedures; • the process for interpreting data; • the most efficient and effective operation of a PDMP; • costs and sources of funds for establishing and operating a PDMP; • whether establishment of a PDMP is feasible without additional cost to dispensers and recipients; • a timeline for establishing and implementing a PDMP; • types of education and training needed to implement a PDMP; • the need for immunity from liability in connection with submission of data; and • the need for penalties for improper submission or use of data.

Background: Prescription drug abuse makes up almost one-third of all drug abuse in the U.S., and treatment admission rates have more than doubled in the past 10 years. Identifying abuse from a criminal justice perspective is difficult, since the drugs are often purchased legally but used for an unintended purpose or by an unauthorized person.

According to the federal Drug Enforcement Administration, diversion of oxycodone products through illegal sales and distribution by health care professionals, "doctor shopping" (going to a number of doctors to obtain prescriptions for a controlled pharmaceutical), forged prescriptions, and employee theft continue to be a problem in Maryland. Benzodiazepines, methadone, and Klonopin were also identified as being among the most commonly abused and diverted pharmaceuticals in Maryland.

State prescription drug monitoring programs address this issue by requiring pharmacies to log each prescription they fill. The reports created are stored in an electronic database that typically includes the patient's name, address, type and amount of drug, prescribing physician's name, and other relevant information. Medical professionals can use this information to prevent abusers from obtaining prescriptions from multiple prescribers.

To date, 35 states (including Pennsylvania, Virginia, and West Virginia) have enacted legislation requiring prescription drug monitoring programs, of which 26 programs are operational and 9 are in the start-up phase.

Since 2002, the federal Harold Rogers Prescription Drug Monitoring Program has provided states with grants to plan, implement, or enhance a PDMP. In federal fiscal 2007, $7.5 million was distributed from the program in the form of 3 planning grants and 14 enhancement grants. In federal fiscal 2008, states are eligible for planning grants of up to $50,000. States with a qualifying enabling statute or regulation may apply for implementation or enhancement grants of up to $400,000.

State Fiscal Effect: DHMH federal fund expenditures could increase by $48,180 in fiscal 2009, which accounts for the bill's June 1, 2008 effective date. This estimate assumes that: (1) DHMH will receive a federal planning grant; and (2) one contractual program administrator will be hired effective July 1, 2009 to staff the advisory council and assist in conducting the study. DHMH has applied for a $50,000 federal Harold Rogers planning grant. If DHMH does not receive this grant, general fund expenditures would be required.

DHMH general fund expenditures could increase by $42,117 in fiscal 2010, which accounts for the bill's May 31, 2010 termination date. This estimate assumes that general funds would be used to fund the contractual position for the second year of the advisory council and study.

Additional Information

Prior Introductions: SB 333/HB 1287 of 2006 would have established a prescription drug monitoring program. The bills passed but were vetoed by the Governor.

Cross File: None.

Information Source(s): U.S. General Accounting Office, U.S. Drug Enforcement Administration, Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - February 13, 2008
mll/ljm Revised - House Third Reader - March 28, 2008

Analysis by: Jennifer B. Chasse

Direct Inquiries to:
(410) 946-5510
(301) 970-5510