

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2074**81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

Prepared by: Haylee Morse-Miller
 Reviewed by: Ben Ruef, Tom MacDonald, Zane Potter, Kim To
 Date: March 1, 2021

Measure Description:

Increases prescription monitoring program fees from \$25 to \$35.

Government Unit(s) Affected:

Board of Optometry (OBO), Oregon Board of Naturopathic Medicine (OBNM), Oregon Medical Board (OMB), Oregon Board of Pharmacy (OBOP), Oregon Board of Dentistry (OBD), Oregon Health Authority (OHA), Oregon State Board of Nursing (OSBN)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Revenue Impact:

	2021-23 Biennium	2023-25 Biennium
Other Funds	493,452	657,936
Total Funds	\$493,452	\$657,936

Analysis:

HB 2074 increases prescription monitoring program fees from \$25 to \$35. This fee is collected from licensees of the Board of Optometry (OBO), Oregon Board of Naturopathic Medicine (OBNM), Oregon Medical Board (OMB), Oregon Board of Pharmacy (OBOP), Oregon Board of Dentistry (OBD), and Oregon State Board of Nursing (OSBN), if a licensee is authorized to prescribe or dispense controlled substances. Licensing information for these licensees and 90% of this fee revenue is then passed on to the Oregon Health Authority (OHA), which administers the Prescription Drug Monitoring Program. This fee change is operative January 1, 2022.

OHA anticipates additional revenue of approximately \$493,452 Other Funds in the 2021-23 biennium, and \$657,936 Other Funds in 2023-25. This revenue will be used to maintain current staffing and operations in the Prescription Drug Monitoring Program. Fees were last increased in 2009.

Additional revenue from increased fees is reflected in OHA's 2021-23 budget proposal in Policy Option Package 453: Prescription Drug Monitoring Licensing Fees, which also includes requested expenditure limitation of \$657,936 Other Funds. However, this Policy Option Package assumes that collection of increased fees will begin July 1, 2021, and not January 1, 2022 as per this bill. Approximately half of the revenue from this fee is collected in the first six months of each biennium due to the different licensing schedules of each Board; for example, OMB licenses must be renewed by December 31 of each odd-numbered year. If collection of increased fee revenue does not start until January 1, OHA may actually collect even less than the projected \$493,452 Other Funds in the 2021-23 biennium. OHA does not anticipate a program impact from collecting less fee revenue than anticipated, due to one-time savings realized in the 2019-21 biennium. Revenue and expenditure limitation included in Policy Option Package 453 may need to be adjusted to reflect less fee revenue than initially projected.

There is no or minimal fiscal impact for OBO, OBNM, OMB, OBOP, and OSBN. Of note, OBD currently pays this fee on behalf of licensees out of regular licensing revenues instead of charging licensees an additional prescription drug fee. This fee increase can be absorbed by the agency, but could impact OBD's ending balance over time.