

## **SJR 20: Prescription Drug Abuse**

### ***Development and Funding of the Montana Prescription Drug Registry***

Prepared for the Children, Families, Health, and Human Services Interim Committee  
May 2014

#### Background

The 2011 Legislature authorized creation of the Montana Prescription Drug Registry as a means of reducing prescription drug abuse. The registry contains information on all prescriptions dispensed in Montana that contain controlled substances. The Board of Pharmacy oversees the registry, which was developed under a contract with Montana Interactive LLC.

To date, federal funds have covered most of the expenses for the program. The registry also is supported by a fee on certain health care providers.

In March, the Children, Families, Health, and Human Services Interim Committee expressed interest in learning more about the development and operation of the registry. This briefing paper outlines the funding sources and operating costs of the registry.

#### Federal Funds

By March 2015, Montana will have received \$887,250 in federal funds to plan for, develop, and operate the Montana Prescription Drug Registry. The money comes from the U.S. Department of Justice, through the Bureau of Justice Assistance.

The Montana Board of Crime Control has received:

- planning grants of \$50,000 each in 2007 and 2009 to pay for planning, education, and outreach efforts related to creation of the registry;
- an implementation grant of \$397,521 in 2011 to develop and operate the registry; and
- approval for an enhancement grant of \$389,729 in 2013 to make improvements to the registry. The planned changes include allowing designated staff members to access the registry, sharing data with other states, and notifying prescribers in certain instances when the registry shows their patients have received controlled substances prescriptions from multiple prescribers or pharmacies.

Funds from the most recent grant are available through March 2015. The state may request an extension of the grant if the funds are not fully spent by that time.

#### Provider Fees

The registry received about \$85,000 through December 2013 as part of its first collection of the \$15 fee required of each health care provider "who prescribes, dispenses, or distributes controlled substances." That general description covers pharmacists, physicians, physician

assistants, dentists, podiatrists, advanced practice registered nurses, optometrists, and naturopathic physicians.

The fee is set to expire on July 1, 2015, unless the 2015 Legislature extends it.

Operating Costs

The state has received federal grants that generally cover an 18-month period. However, the Board of Pharmacy has provided the following breakdown of a 12-month budget as outlined in its application for the most recent grant it has received:

<b>Expense</b>	<b>12-Month Cost</b>
Montana Interactive Enhancements	\$127,525
General Operating Costs*	\$67,321
Montana Interactive Hosting/Support	\$58,350
Printing and Postage	\$24,537
Purchase National Drug Code File	\$9,641
Travel	\$8,384
Contracted Trainer	\$5,000
<b>Total Expenses Before Fee Offset</b>	<b>\$300,758</b>

\* Costs include salaries, benefits, legal fees, dues, temporary staff, and supplies.

The Board of Pharmacy expects that the costs will be offset by about \$75,000 in fees on pharmacists and prescribers.