

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2019 REGULAR SESSION**

**MEASURE**

2019 BR NUMBER 1176

SENATE BILL NUMBER 247

**TITLE** AN ACT relating to Kentucky's electronic system for monitoring controlled substances.

**SPONSOR** Senator Stephen Meredith

**FISCAL SUMMARY**

STATE FISCAL IMPACT:  YES  NO  UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY:  ACTUARIAL ANALYSIS  LOCAL MANDATE  CORRECTIONS IMPACT  HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: General Administration and Program Support

FUND(S) IMPACTED:  GENERAL  ROAD  FEDERAL  RESTRICTED \_\_\_\_\_

<b>FISCAL ESTIMATES</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>		\$500,000-\$600,000	\$700,000-\$800,000
<b>EXPENDITURES</b>			
<b>NET EFFECT</b>		(\$500,000-\$600,000)	(\$700,000-\$800,000)

( ) indicates a decrease/negative

**PURPOSE OF MEASURE:** The purpose of the measure is to require the Cabinet for Health and Family Services (CHFS) to establish secure connections between the Kentucky All Schedule Prescription Electronic Reporting (KASPER) system and the electronic health records systems of pharmacies and health care providers.

**FISCAL EXPLANATION:** CHFS estimates that the provisions of Senate Bill 247 will have a fiscal impact on the Cabinet. CHFS estimates that costs of \$500,000 to \$600,000 related to program initiation, system infrastructure, communication, and activation activities would be incurred in the first year of implementation of the program with an annual recurring cost of \$700,000 to \$800,000.

If the agency does not have sufficient restricted fund resources, a General Fund appropriation will be needed.

**DATA SOURCE(S):** Cabinet for Health and Family Services

**PREPARER:** Miriam Fordham **NOTE NUMBER:** 113 **REVIEW:** JAB **DATE:** 2/27/2019

LRC 2019-BR1176-SB247