F I S C A L   I M P A C T   R E P O R T

SPONSOR	Cook	**ORIGINAL DATE** 02/23/15 **LAST UPDATED**	**HB**	369
SHORT TITLE	Informed Consent for Genetic Testing		**SB**	
			ANALYST	Dunbar

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	**FY17**		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	**FY16**	**FY17**	**3 Year Total Cost**	**Recurring or Nonrecurring**	**Fund Affected**
Total		*Indeterminate	*Indeterminate	*Indeterminate	Recurring	General Fund

*Refer to Fiscal Implications
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From
Office of the Superintendent of Insurance (OSI)
Attorney General (AG)
Public School Insurance Authority (PSIA)
General Services Department (GSD)

SUMMARY

Synopsis of the Bill

House Bill 369 amends the Genetic Information Privacy Act ("Act") which prohibits any person obtaining genetic information or samples for genetic analysis from an individual without first obtaining informed and written consent from that individual or the individual's authorized representative. The Act lists ten exceptions to the prohibition. HB 369 inserts another exception which permits the collection of genetic information or sample for genetic analysis by a

laboratory conducting an analysis or test of a specified individual pursuant to a written order to the laboratory from a health care practitioner or the health care practitioner's agent. The bill also notes that the order can be sent by electronic transmission.

FISCAL IMPLICATIONS

HB 369 allows clinical laboratories to proceed with the testing of genetic material without obtaining informed consent. The attorney general is authorized under the Genetic Information Privacy Act to enforce its provisions, and whether laboratories are correctly disposing of genetic information would be expressly included as an area of enforcement. The AG is concerned that this could potentially require additional prosecution activity of the Attorney General's Office without providing for an appropriation for additional staff.

SIGNIFICANT ISSUES

The AG discusses the significant privacy concerns with genetic testing and such testing being used for improper purposes, such as discrimination on the basis of a genetic analysis for purposes of denying insurance coverage. Additionally, genetic testing is being used more frequently for many purposes, including determining appropriate therapeutic drug dosages. The increased frequency of genetic testing may also increase the opportunity for fraud, waste and abuse (in that it may be ordered for non-medically necessary purposes). AG further states that by eliminating the requirement that laboratories obtain informed consent prior to performing any testing may increase the use of information for improper purposes, and potential fraud, waste or abuse of such tests.

The AG mentions that House Bill 369 removes one barrier to performing genetic testing and so may implicate an individual's privacy rights, and may facilitate the ability of a provider to commit fraud.

PERFORMANCE IMPLICATIONS

As drafted House Bill 369 provides for a civil cause of action for the attorney general against violators of the Genetic Information Privacy Act, and includes a potential new category of enforcement. However, the bill does not provide for an appropriation for additional staff, which could potentially affect the agency's other performance based budget targets.

BD/bb