

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4455-02
Bill No.: SCS for SB's 858 & 868
Subject: Health Care; Medicaid; Medical Procedures and Personnel
Type: Original
Date: February 3, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
Total Estimated Net Effect on General Revenue Fund	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Healthcare Technology Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds*	\$0	\$0	\$0

*Assume unknown transfers in—appropriations, gifts, donations, or bequests and unknown costs would net to \$0.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services - Division of Medical Services (DMS)** state upon appropriation, money in the Healthcare Technology Fund would be used to promote technological advances to improve patient care, decrease administrative burdens and increase patient and health care provider satisfaction.

DMS states since the proposed legislation does not mandate that these changes take effect until appropriated and funded through the Healthcare Technology Fund, there would not be a fiscal impact to the Division of Medical Services.

Oversight assumes funds will be disbursed from the fund when they are appropriated.

Officials from the **Office of Administration, Division of Budget and Planning** and **Division of Accounting** assume this proposal would have no impact to their organizations.

ASSUMPTION (continued)

Officials from the **Office of State Treasurer (STO)** state that the legislation says, "the state treasurer shall be custodian of the fund and shall approve disbursements from the fund in accordance with sections 30.170 and 30.180, RSMo."

STO states it will only ensure the disbursements are made from a lawful appropriation and do not exceed the amount of the appropriation. STO suggests the following wording change: "The state treasurer shall be custodian of the fund. In accordance with Sections 30.170 and 30.180 RSMo, the state treasurer may approve disbursements".

If the wording isn't changed, STO assumes it will need an FTE (Analyst I - \$36,444 plus E&E) to monitor these disbursements.

Oversight assumes that the intent of the legislation is for Department of Social Services to administer the fund and approve disbursements.

Oversight notes that this proposal would create a fund which shall consist of gifts, donations, transfers, bequests and moneys appropriated by the general assembly. **Oversight** assumes the fund would receive some gifts, etc, but **Oversight** assumes that all or virtually all of this funding would be transferred or appropriated from the General Revenue Fund.

<u>FISCAL IMPACT - State Government</u>	FY 2007	FY 2008	FY 2009
GENERAL REVENUE FUND			
<u>Costs--Transfer to the Healthcare Technology Fund</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>	<u>\$0 to (Unknown)</u>

**HEALTHCARE TECHNOLOGY
 FUND**

<u>Transfer in-Appropriation, gifts, donations, or bequests</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
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<u>Costs - Department of Social Services</u>			
Healthcare system costs*	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>

ESTIMATED NET EFFECT ON HEALTHCARE TECHNOLOGY FUND*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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*Assume unknown transfers in-appropriations, gifts, donations, or bequests and unknown costs would net to \$0.

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal would create the health information technology fund in the State Treasury. The fund would include all gifts, donations, transfers, moneys appropriated by the general assembly, and bequests. The state treasurer would be custodian of the fund, and the fund would be administered by the Department of Social Services.

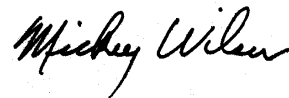
Upon appropriation, moneys in the fund would be used to promote technological advances to improve patient care, decrease administrative burdens, and increase patient and health care provider satisfaction. Such programs or improvements on technology would include encouragement and implementation of technologies intended to improve the safety, quality, and costs of health care services in the state. Moneys remaining in the fund at the end of the biennium would not revert to the general revenue fund except for the moneys that were gifts, donations, transfers, or bequests.

DESCRIPTION (continued)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Office of the State Treasurer
Office of Administration
 Division of Accounting
 Division of Budget and Planning



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Director
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