

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4489-01  
Bill No.: SB 946  
Subject: Attorneys; Courts, Juvenile; Dentists; Health Care; Health Care Professionals;  
 Liability; Physicians; Physical Therapists.  
Type: Original  
Date: February 3, 2006

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2007    | FY 2008    | FY 2009    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2007    | FY 2008    | FY 2009    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 4 pages.

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

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2007</b> | <b>FY 2008</b> | <b>FY 2009</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of the Secretary of State (SOS)** stated that many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to Secretary of State's office for Administrative Rules is less than \$1,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Officials from the **Office of State Courts Administrator, Office of Administration, Administrative Hearing Commission, the Department of Health and Senior Services, the Department of Insurance, the Department of Mental Health, and the Department of Social Services** assume this proposal would have no fiscal impact on their organizations.

ASSUMPTION (continued)

Officials from the **Office of the Attorney General** (AGO) assume this proposal would extend Legal Expense Fund coverage to all health care workers providing services in certain nonprofit settings, and in addition, extends coverage to dentists and physician specialists who treat patients referred by those nonprofit facilities. AGO believes the proposal would increase the workload of its litigation division, which currently handles the defense of the legal expense fund, including covered state employees, the Department of Corrections, the St. Louis and Kansas City police boards, and physicians, dentists and attorneys practicing in certain nonprofit settings.

AGO assumed this proposal would require one additional Assistant Attorney General II, and provided a cost estimate for the additional staff, with benefits and related expenses of \$63,750 for FY 2007, \$68,809 for FY 2008, and \$70,588 for FY 2009.

**Oversight** assumes that the additional Legal Expense Fund coverage for health care workers included in this proposal would not generate a significant additional caseload for the AGO. If there are unanticipated additional costs resulting from this proposal or several proposals are enacted which increase the workload of the AGO, resources could be requested through the budget process.

In response to a similar proposal, the **Department of Economic Development, Division of Professional Registration** assumed the proposal would have no fiscal impact on their organization.

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

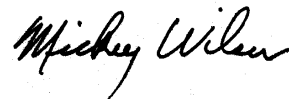
DESCRIPTION

This proposal would modify various provisions relating to the state legal expense fund. The proposal would provide for a defense from the state legal defense fund for a health care provider who provides uncompensated care to a patient referred by a city or county health department or nonprofit community health center. Any claim or judgment that arises under this provision would be limited to a maximum of one million dollars for all claims arising out of and judgments based upon the same act or acts alleged in a single cause, and could not exceed one million dollars for any one claimant.

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

Office of the Secretary of State  
Office of State Courts Administrator  
Office of Administration  
    Administrative Hearing Commission  
Department of Economic Development  
    Division of Professional Registration  
Department of Health and Senior Services  
Department of Insurance



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Director  
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