

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4553-03  
Bill No.: SCS for SB 998  
Subject: Boards, Commissions, Committees, Councils; Hospitals; Nurses; Licensees -  
Professional; Physicians  
Type: Original  
Date: April 20, 2006

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
<b>Total Estimated Net Effect on General Revenue 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
Board of Registration for the Healing Arts	(\$59,093)	(\$112,577)	(\$115,409)
Other PR	\$2,332	\$2,882	\$2,968
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$56,761)</b>	<b>(\$109,695)</b>	<b>(\$112,441)</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 **Department of Health and Senior Services (DOH)** state there is no known fiscal impact to the DOH as a result of this proposal. In addition, there are no costs associated with the required reporting as reporting requirements and processes are yet to be determined. There may, however, be an unknown impact of reporting on existing collaborative practice arrangements. It is unknown whether the new reporting requirements and the ability of respective boards to suspend licenses of participating health professionals due to collaborative arrangements would deter these arrangements.

Officials from the **Department of Economic Development - Division of Professional Registration (DED-PR)** state the proposal will require 1.0 FTE Healthcare Professional (\$72,000) to perform the initial review of all collaborative practice agreements to make sure the agreements are in compliance with statutes and rules. The healthcare professional will need to have some medical knowledge. Once collaborative agreements are reviewed, those with discrepancies will be forwarded on to the investigative division within DED. It is assumed the investigative division will be able to absorb the duties associated with any referred agreements.

**Oversight** notes the inclusion of rent expense in the total costs to be incurred by the Board of Registration for the Healing Arts will result in a lower allocation of this expense to other licensing boards. As a result, **Oversight** has shown a savings to Other Profession Registration (PR) Funds in an amount equal to the rent expense to the Board of Registration for the Healing Arts.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (6 Mo.)	FY 2008	FY 2009
<b>BOARD OF REGISTRATION FOR THE HEALING ARTS FUND</b>			
<u>Costs - Department of Economic Development</u>			
Personal service (1.0 FTE)	(\$36,000)	(\$75,645)	(\$77,536)
Fringe benefits	(\$15,862)	(\$33,329)	(\$34,162)
Equipment and expenses	(\$4,899)	(\$721)	(\$743)
Rent expense	(\$2,332)	(\$2,882)	(\$2,968)
	<u>(\$59,093)</u>	<u>(\$112,577)</u>	<u>(\$115,409)</u>
<b>ESTIMATED NET EFFECT ON THE BOARD OF REGISTRATION FOR THE HEALING ARTS FUND</b>	<b><u>(\$59,093)</u></b>	<b><u>(\$112,577)</u></b>	<b><u>(\$115,409)</u></b>
<b>OTHER PR FUNDS</b>			
<u>Savings - Department of Economic Development</u>			
Reduction in allocated rent expense	<u>\$2,332</u>	<u>\$2,882</u>	<u>\$2,968</u>
<b>ESTIMATED NET EFFECT ON OTHER PR FUNDS</b>	<b><u>\$2,332</u></b>	<b><u>\$2,882</u></b>	<b><u>\$2,968</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2007 (6 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal may have an administrative impact on physicians who enter into collaborative practice agreements.

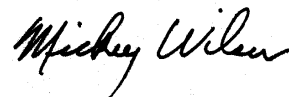
### DESCRIPTION

Within thirty days of any change and on each renewal of a collaborative practice arrangement, the State Board of Registration for the Healing Arts shall require physicians to identify whether a physician is engaged in any collaborative practice agreement or physician assistance agreement and also report to the board the name of each licensed professional with whom the physician has entered into such agreement. The board may make the information available to the public. The physician shall also provide the board with a copy of each such agreement for the board to review for compliance with state law.

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 Economic Development -  
Division of Professional Registration  
Department of Health and Senior Services



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Director  
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