

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4187-01  
Bill No.: SB 921  
Subject: Dentists; Health Care; Health Care Professionals; Liability; Nurses; Physicians  
Type: Original  
Date: March 7, 2008

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Bill Summary: This legislation adds coverage under the state legal expense fund for certain health care professionals providing uncompensated service at summer camps.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>                   |                                  |                                  |                                  |
|---|----------------------------------|----------------------------------|----------------------------------|
| FUND AFFECTED   | FY 2009                          | FY 2010                          | FY 2011                          |
| General Revenue   | (More than<br>\$100,000)         | (More than<br>\$100,000)         | (More than<br>\$100,000)         |
|   |                                  |                                  |                                  |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>(More than<br/>\$100,000)</b> | <b>(More than<br/>\$100,000)</b> | <b>(More than<br/>\$100,000)</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2009    | FY 2010    | FY 2011    |
| State Legal Expense   | \$0        | \$0        | \$0        |
|   |            |            |            |
| <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 6 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2009</b> | <b>FY 2010</b> | <b>FY 2011</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 FULL TIME EQUIVALENT (FTE)</b> |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2009</b> | <b>FY 2010</b> | <b>FY 2011</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b>       | <b>0</b>       | <b>0</b>       |

Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2009</b> | <b>FY 2010</b> | <b>FY 2011</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of Administration – Administrative Hearing Commission, Department of Mental Health, Department of Health and Senior Services, and the Department of Social Services** assume the proposal would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Department of Insurance, Financial Institutions & Professional Registration (DIFP)** state that having reviewed the proposed legislation and having sought the conclusion of the appropriate board(s), DIFP are of the opinion that this proposal in its present form has no fiscal impact to the Department.

In response to a similar proposal from this year (HB 1398), officials from the **Office of the Attorney General (AGO)** assume because claims for malpractice or liability may be brought against the State Legal Expense Fund, this provision will create a fiscal impact. The AGO is responsible for defending claims against the State Legal Expense Fund, and it is unclear how many liability or malpractice claims may be filed against specialist as provided by this proposal. As a result, AGO assumes that costs are unknown, but less than \$100,000.

**Oversight** assumes Office of the Attorney General (AGO) could absorb any costs within existing resources. If the AGO experiences an increase that would require additional funding, the AGO could request the funding through the appropriation process.

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS 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 proposal for Administrative Rules is less than \$2,500. The SOS recognizes this is a small amount and does not expect additional funding would be required to meet these costs. However, SOS also recognizes that many such bills may be passed in a given year and that collectively the costs may be in excess of what the SOS can sustain with their core budget. Any additional required funding would be handled through the budget process.

ASSUMPTION (continued)

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Office of Administration (COA)** state the following:

State legal expense fund coverage for specified health care professionals who are providing primary and preventive health care, without compensation, to elementary and secondary schools is expanded to include summer camps. The proposed changes have the potential for some increased costs to the state legal expense fund that cannot be determined at this time.

The state self-assumes its own liability protection under the state legal expense fund, Section 105.711, RSMo. It is a self-funding mechanism whereby funds are made available for the payment of any claim or judgment rendered against the state in regard to the waivers of sovereign immunity or against employees and specified individuals. Investigation, defense, negotiation or settlement of such claims is provided by the Office of the Attorney General. Payment is made by the Commissioner of Administration with the approval of the Attorney General.

| <u>FISCAL IMPACT - State Government</u>                 | FY 2009<br>(10 Mo.)                     | FY 2010                                 | FY 2011                                 |
|---|---|---|---|
| <b>GENERAL REVENUE FUND</b>                             |   |   |   |
| <u>Transfers out – to State Legal Expense Fund</u>      | <u>(More than<br/>\$100,000)</u>        | <u>(More than<br/>\$100,000)</u>        | <u>(More than<br/>\$100,000)</u>        |
| <b>ESTIMATED NET EFFECT ON<br/>GENERAL REVENUE FUND</b> |   |   |   |
|   | <u><b>(More than<br/>\$100,000)</b></u> | <u><b>(More than<br/>\$100,000)</b></u> | <u><b>(More than<br/>\$100,000)</b></u> |

| <u>FISCAL IMPACT - State Government</u><br>(continued)         | FY 2009<br>(10 Mo.)              | FY 2010                          | FY 2011                          |
|--|----------------------------------|----------------------------------|----------------------------------|
| <b>STATE LEGAL EXPENSE FUND</b>                                |                                  |                                  |                                  |
| <u>Transfers in</u> – from General Revenue Fund                | More than<br>\$100,000           | More than<br>\$100,000           | More than<br>\$100,000           |
| <u>Costs</u> – Office of Administration<br>Increased liability | <u>(More than<br/>\$100,000)</u> | <u>(More than<br/>\$100,000)</u> | <u>(More than<br/>\$100,000)</u> |
| <b>ESTIMATED NET EFFECT ON<br/>STATE LEGAL EXPENSE FUND</b>    | <b><u>\$0</u></b>                | <b><u>\$0</u></b>                | <b><u>\$0</u></b>                |
| <br><u>FISCAL IMPACT - Local Government</u>                    | <br>FY 2009<br>(10 Mo.)          | <br>FY 2010                      | <br>FY 2011                      |
|  | <b><u>\$0</u></b>                | <b><u>\$0</u></b>                | <b><u>\$0</u></b>                |

FISCAL IMPACT - Small Business

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

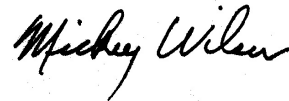
FISCAL DESCRIPTION

This legislation adds coverage under the state legal expense fund for any physician, nurse, physician assistant, dental hygienist or dentist who provides uncompensated primary care or preventive medical, nursing or dental services within the scope of his or her license or registration at a summer camp.

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 Attorney General  
Office of Administration  
Office of State Courts Administrator  
Department of Insurance, Financial Institutions, and Professional Registration  
Department of Mental Health  
Department of Health and Senior Services  
Department of Social Services  
Office of the Secretary of State



Mickey Wilson, CPA  
Director  
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