

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4823-02
Bill No.: SB 1233
Subject: Hospitals; Emergencies; Ambulances and Ambulance Districts
Type: Original
Date: March 7, 2008

Bill Summary: This legislation designates qualifies hospitals as specified myocardial infarction or stroke centers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** state the following:

Section 190.241:

This section of the proposal requires the Department to designate a hospital as a STEMI or stroke center if they meet the necessary criteria and complete the application and review process. An on-site review would be completed every five (5) years. The legislation would also allow the DHSS to establish an appropriate fee for the review.

It is difficult to estimate the number of hospitals that will participate as STEMI and/or stroke centers. There are currently 29 hospitals designated as trauma centers. DHSS believes that most of the 29 trauma centers would also participate as a stroke center, but that only about two-thirds (19) would participate as STEMI centers. DHSS further believes there will be other hospitals that are not trauma centers that would participate in one or both programs.

Section 190.200.2:

This section of the proposal requires the Department to compile and assess clinical research and guidelines on treatment standards, to promulgate rules on transportation of patients to the proper center within time limits suggested by the clinical research and to promote the development of regional or community-based plans for the transportation of STEMI or stroke patients and establishment of procedures for department approval.

DHSS believes that existing resources, including grant funding from the Centers for Disease Control and Prevention, can be utilized to implement this program. No additional funding would be required.

Officials from the **Department of Social Services** states the Institutional Reimbursement Unit (IRU) of the MO HealthNet Division (MHD) determines a per diem reimbursement rate for each hospital based on the cost reports submitted by the hospital to the IRU. Payments are made to all hospitals based on their per diem rate for all inpatient care they provide regardless of the patient's injury or disease.

The proposal creates additional designations for heart attack or stroke centers. Although facilities' payments may be identified differently due to these designations, their overall payments will not increase or decrease due to these designations. Some incidental costs may be incurred by the facilities due to licensing fees and paperwork associated with these designations, but MHD assumes these costs would be insignificant.

ASSUMPTION (continued)

Officials from the **Taney County Ambulance District** assumes the proposal would have a fiscal impact on transport cost if the local hospital can't make it and if Medicare and Medicaid doesn't pay for extra mileage individuals will have to pay out of pocket.

Oversight assumes there will be no fiscal impact to Taney County Ambulance District.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

It could impact small ambulance services by mandating that a patient be transferred to a hospital that is not the closest facility. The cost for this should be reimbursed by private insurance companies, but there could be an issue with coverage from Medicare.

FISCAL DESCRIPTION

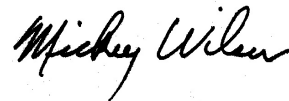
The proposed legislation appears to have no fiscal impact.

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

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SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Social Services
Taney County Ambulance District

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
March 7, 2008