

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5335-09  
Bill No.: Truly Agreed To and Finally Passed CCS No. 2 for HCS for SCS for SB 716  
Subject: Health, Public; Health Care; Department of Health; Hospitals; Elderly  
Type: Original  
Date: June 4, 2014

Bill Summary: This proposal changes the laws regarding public health.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(\$3,216,835 to Greater than \$4,716,835)	(\$3,901,623 to Greater than \$5,401,623)	(\$4,012,643 to Greater than \$5,512,643)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$3,216,835 to Greater than \$4,716,835)</b>	<b>(\$3,901,623 to Greater than \$5,401,623)</b>	<b>(\$4,012,643 to Greater than \$5,512,643)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Insurance Dedicated	Up to \$5,700	\$0	\$0
Missouri Healing Arts Board	(\$1,513)	\$2,936	(\$577)
Medical Clinics in Medically Underserved Areas*	\$0	\$0	\$0
University	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Up to \$4,187</b>	<b>\$2,936</b>	<b>(\$577)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 22 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Federal*	\$0	\$0	\$0
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Income and expenses net to \$0.

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
General Revenue	2	2	2
<b>Total Estimated Net Effect on FTE</b>	<b>2</b>	<b>2</b>	<b>2</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 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
Local Government	\$0	\$0	\$0

## FISCAL ANALYSIS

### ASSUMPTION

#### §174.335 - Meningococcal vaccinations for college students

Officials at the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** assume this requirement would apply to all college age eligibles in the first year and then to first year college students in the next years. There are currently 12,998 eligibles age 18 (Non CHIP) and 3,313 Age 18 (CHIP). In addition, there are 3,538 eligibles age 19; 4,215 age 20; and 4,781 age 21.

The cost of the vaccine is covered by the Vaccine for Children (VFC) program for MHD eligibles through the age of 18, except for CHIP eligibles. The estimated cost of the vaccine is \$130.00. MHD reimburses \$5.00 for the administration of the vaccine. Therefore, the cost for the non-CHIP age 18 is \$5.00. The cost for other eligibles is \$135.00.

According to National Center for Education Statistics' 2013 Digest of Education Statistics (U.S. Department of Education), 52.1% of low-income high school graduates attend college. According to the Census bureau, 14% of students live in on-campus housing. MHD assumed the on-campus rate would be higher for first year students, so the rate would double to 28% for FY16 and FY17.

The total cost to MHD in the first full year will be \$160,800. To calculate the FY15 cost, it is assumed that there would only be 10 months of cost so,  $\$160,800 / 12 \text{ months} * 10 \text{ months} = \$134,010$  (\$87,569 FF, \$46,441 GR). The federal match rate for these services is 63.095%, except for the higher income CHIP eligibles, which is 74.17%.

**Oversight** notes from discussions with DSS staff that the reason 14% was used for FY 15 as the percentage of students in on-campus housing is because it is the average of college students across all four years. Typically the number of Freshman will be significantly higher than the number of Seniors living on campus. Then, for FYs 16 and 17, only the percentage of Freshman anticipated to be living in on-campus housing and needing vaccinations is used.

Officials from the **Department of Higher Education (DHE)** state section 174.335 requires students who reside in on-campus housing to receive the meningococcal vaccine (unless they show immunity to the disease) or sign a waiver stating it is against their religion. The DHE does not need to collect any documents, so there is no fiscal impact to the department. The universities are already required to collect students' vaccination status, so there should not be an extra cost to them.

In response to similar legislation (HB 1590), officials from the **University of Missouri** assumed the proposal would have no fiscal impact on their organization.

ASSUMPTION (continued)

§ 191.761 - Establishment of cord blood collection sites:

Officials from the **Department of Health and Senior Services (DHSS)** state section 191.761.1 will require the DHSS to use a courier service to transport collected, donated umbilical cord blood samples to the Saint Louis Cord Blood Bank at Cardinal Glennon Children's Medical Center.

DHSS has an existing courier system that is utilized to collect newborn screening specimens. Currently this system collects newborn screening specimens from 46 birthing hospitals five days per week.

In order for the existing courier service to be utilized for the transport of cord blood, modifications will be required. Transport of cord blood requires temperature controlled transportation, adherence to specific delivery timeframes, and chain of custody protocols. Cord blood specimens will not remain viable for medical usage if these requirements are not strictly adhered. Costs associated with the required modifications and storage of specimens are unknown but anticipated to be significant. Total costs associated to implement this service will be unknown until after the Department has completed the state procurement bid process for contracted services.

It is assumed DHSS would be required to provide courier service to the 22 birthing centers that are designated and trained to provide cord blood to the St. Louis Cord Blood Bank. Seventeen of these birthing centers are already in a DHSS courier system that operates Monday through Friday. Courier services would need to be expanded to seven days per week for these 17 birthing centers. In addition, courier services for seven days per week for the five new locations would be needed. The estimated cost associated with adding weekend courier pick up to the existing 17 hospitals is \$26,100. The cost for adding five new locations for seven days a week is \$22,805.

No costs for FY 15 are anticipated as the provisions of this proposal are not effective until July 1, 2015. The DHSS assumes the total cost of this proposal to the General Revenue Fund will be unknown, greater than \$50,127 for FY 16 and unknown, greater than \$51,381 for FY 17.

Officials from the **DSS-MHD** state the provisions of section 191.761 will have no fiscal impact on the MHD.

ASSUMPTION (continued)

§191.990 - Diabetes prevention

Officials from the **DSS-MHD** assume that this bill is not directing the Division to put together a new diabetes management program, but rather to work with the DHSS, to develop action plans, write reports with outcomes, costs, and impact estimates, and estimate what it would cost to develop new programs and budget requests. Based on this assumption, there will be no fiscal impact to MHD.

§191.1140 - ECHO program

Officials from the **University of Missouri (UM or University)** state there is a line item in HB 3 budgeting \$1.5 million so the University can implement and manage the Show-Me Extension for Community Health Care Outcomes (ECHO) Program. This is the annual cost of the program that has been developed and designed by the University. There will be additional costs if the program is expanded.

**Oversight** notes funding is subject to appropriations and is presenting the cost as \$0 or (\$1,500,000) to the General Revenue Fund.

Officials from the **DHE** state section 191.1140 creates the telehealth program ECHO (Show-Me Extension for Community Health Care Outcomes). The Department of Health and Senior Services is the department collaborating with the University of Missouri, so there is no cost associated with this legislation to the DHE. Since it also utilizes current telehealth technology, it is assumed there is minimal cost to the University of Missouri.

Officials from the **DSS** assume this provision will have no fiscal impact on the Department since the program will utilize current telehealth technology.

§195.070 - Controlled substances

Officials from the **DSS** state physician assistants are not currently recognized as a provider type for MHD/Medicaid. Therefore, this section does not have a fiscal impact on the DSS.

§197.168 - Influenza vaccines

Officials from the **DSS-MHD** state any increased cost covered by Medicaid as the primary payer would not be captured until FY '18 because MO HealthNet bases hospital reimbursement for a given year on the fourth prior year cost report. Since the first requirement is effective August 28, 2014, the increased cost would begin to be reflected in 2014 cost reports. MO HealthNet would

ASSUMPTION (continued)

use 2014 cost reports to establish reimbursement for state FY18. Therefore, there would not be a fiscal impact to the MHD for FY15, FY16, and FY17, but starting FY18, there could be an immaterial increase in costs.

§208.662 - Show-Me Healthy Babies Program

Officials from the **Department of Social Services (DSS)** provide the following information:

MO HealthNet Division (MHD):

The Family Support Division (FSD) assumes that 1,844 unborn children will be enrolled. This is the number of Medicaid for Pregnant Women (MPW) who were denied coverage for income between 185% and 300% of FPL. MHD assumes that pregnant women will be enrolled and not the unborn child. MHD further assumes that the coverage would be similar to the current coverage for the MPW population, which could include other medical issues for the mother that could affect the unborn baby (for example, diabetes or an infection). The cost per member per month (PMPM) for the MPW population is \$579.11. The total cost for a year would be \$12,814,546 (1,844 x \$579.11 x 12). There may be some additional unknown costs for programming, so that this new category of aid can be identified.

Section 208.662.4. Requires the DSS to set up a presumptive eligibility procedure for enrolling an unborn child.

FSD currently has presumptive eligibility procedures in place.

Section 208.662.5. States that coverage for the child shall continue for up to one year after birth. MHD currently covers children age 0 - 1 between 185% - 300% of FPL under the CHIP program. This would have no additional fiscal impact on MHD.

Section 208.662.6. Requires coverage for the mother to continue through the last day of the month that includes the sixtieth day after the pregnancy ends. Coverage for the mother shall be limited to pregnancy-related and postpartum care.

These costs would be included in the yearly cost of the MPW population.

Section 208.662. 7. Defines the ways that the DSS may provide coverage. These include paying the health care provider directly or through managed care; a premium assistance program; a combination of the two; or a similar arrangement.

MHD assumes a one-time cost for managed care rate development of \$50,000.

ASSUMPTION (continued)

Section 208.662.8 - requires the department to provide information about the Show-Me Healthy Babies Program to maternity homes, pregnancy resource centers, and similar agencies and programs in the state. It also states the department shall consider allowing such agencies to assist in enrollment and presumptive eligibility and verification of the pregnancy.

Section 208.662.9 - requires the DSS to submit a state plan amendment or seek necessary waivers within sixty days after the effective date of this section to United States Department of Health and Senior Services.

MHD currently has a state plan amendment for CHIP. MHD assumes that it could submit this new state plan amendment with existing staff.

Section 208.662.10 - requires the DSS to prepare and submit a report on cost savings and benefits at least annually.

MHD assumes that it would contract this service out at a cost of \$40,000 per year.

Section 208.662.11 - states that the Show-Me Healthy Babies Program shall not be deemed an entitlement program, but instead shall be subject to federal allotment or appropriations and matching state appropriations.

Section 208.662.12 - states that the state is not obligated to continue this program if the allotment or payments from the federal government end or are not sufficient to operate the program, or if the general assembly does not appropriate funds for the program.

MHD assumes that if the waiver were not approved or if state match were not appropriated, that this program would cease to exist.

Section 208.662.13 - states that nothing in this section shall be construed as expanding MO HealthNet or fulfilling a mandate imposed by the federal government or the state.

Total costs for the program, would be \$12,814,546 in FY13 for the unborn population plus \$40,000 per year for reporting, and a one-time rate development cost of \$50,000 and a one-time unknown cost for programming in FY15. It is also assumed that the unborn cost in FY15 will only be for a 10-month period. A 2.9% medical inflation was added to the FY13 program costs for FY14 and FY15 to arrive at the FY15 cost. An additional 2.9% medical inflation cost was added to FY16 and FY17. The federal match for CHIP services is 74.170%. Rate development, reporting and programming costs would receive a federal match rate of 50%.

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ASSUMPTION (continued)

FY15 (10 months): \$0 to > \$11,397,139 (GR > \$2,965,634; Federal > \$8,431,505);

FY16: \$0 to \$14,002,055 (GR \$3,626,399; Federal \$10,375,656); and

FY17: \$0 to \$14,406,954 (GR \$3,730,984; Federal \$10,675,970).

The program is subject to appropriations.

Due to the change in organization structure and the requested new eligibility system, FSD assumes existing staff will be able to maintain the increased caseload size and take applications. The FSD assumes existing Central Office Program Development Specialists in the Policy Unit will be able to complete necessary policy and/or forms changes. The FSD further assumes OA-ITSD will include the Medicaid Management Information System (MMIS) programming costs needed to implement the provisions of this proposal in their fiscal note response. Therefore, there is no fiscal impact to the FSD.

Officials from the **DSS** responded for the **Office of Administration (OA) - Information Technology Services Division (ITSD)/DSS**. ITSD assumes that the implementation of this program will require system changes. If the changes are made on top of the proposed new eligibility and enrollment system, the costs are unknown, but greater than \$18,912 (300 hours X \$63.04 /hour).

The match rate is 50% General Revenue and 50% Federal.

Officials from the **OA - Commissioner's Office** state due to the possible duplication of services and the differences between services provided, it is unknown at this time how the Alternatives-to-Abortion (A2A) program would be impacted if this proposal is passed.

§§334.035, 334.036 and 334.037 - Assistant Physician Licensing and collaborative agreements

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state based on projections from a member of the Missouri State Medical Association, it is estimated that 121 individuals in the state of Missouri will be required to be licensed. In addition, a 3 percent growth rate has been estimated. It is estimated that the collection of initial fees will begin in FY16 and renewal fees will not be collected until FY18. Once the fees for the board are established by rule, other fees could offset the estimated costs. Initial license and renewal fees are estimated to be \$30 biennially. Therefore, FY16 licensure fees are estimated to be \$3,630; FY17 licensure fees are estimated to be \$120.



ASSUMPTION (continued)

Printing and postage expenses for the first year include printing of rules, applications, letterhead and envelopes, as well as costs for mailings associated with initial licensure. Estimated FY15 printing and postage costs total \$1,513; subsequent year's printing and postage costs, based on a board of similar size, are estimated to be \$547 annually.

Based on a board of similar size, it is estimated that the board will receive five (5) complaints annually, in which one (1) will require an investigation that results in overnight travel expenses. The division does not anticipate receiving any complaints until FY16. Therefore, it is estimated that \$143 in annual investigative expenses will be incurred beginning in FY16.

A licensure system will have to be implemented the first year. Costs include design, program development and implementation. Total one-year costs for the licensure system are estimated to be \$540.

NOTE: DIFP notes that the projected number of potential applicants is based on projections from the Missouri State Medical Association. In the event that the number of applicants is excessively higher, and/or workload is dramatically different than the proposed estimates, the Board of Healing Arts may need to hire more staff members and additional staff may be requested through a second decision item. Additionally, if there is a need for increased litigation, the DIFP estimates these costs would be \$5,000 or greater.

**Oversight** assumes costs associated with the allocation of department-wide costs to the Board of Registration for Healing Arts for the licensure of APs will reduce the costs allocated to other boards and is not including these costs in the total AP licensure costs charged to the Board of Healing Arts Fund.

Officials from the **DHSS** state sections 334.036 and 334.037 create the Assistant Physician classification. It is assumed the Office of Administration - Information Technology Services Division (ITSD)/DHSS will add this classification to the MOHRORx database that tracks controlled substances.

Support from ITSD will be needed to modify an existing application to enable the registration of the new licensure type of "Assistant Physician" as created in section 334.037. Modifications will also be required of the data feed from the Department of Insurance, Financial Institutions and Professional Registration.

ASSUMPTION (continued)

For purposes of estimation, it is assumed to be a 12-week project with work being completed by ITSD/DHSS application developers. The changes will be modeled after the current physician registration. Once the modifications are complete, ongoing maintenance will be accomplished with the existing maintenance project. One-time costs in FY15 are estimated to be approximately \$30,688.

**Oversight** assumes the DHSS would not need additional rental space and related costs for ITSD/DHSS application developers for 12 weeks.

Officials from the **DSS-MHD** assume these provisions of the proposal will have no fiscal impact on MO HealthNet.

§334.735 - Physician assistants as Medicaid providers

Officials from the **DSS** state both the Missouri Medicaid Audit Compliance (MMAC) Unit and MHD reviewed this section of the legislation. Currently physician assistants are not enrolled independently as Medicaid providers. They do not bill Medicaid directly, but bill through the supervising physician. Although this bill allows physician assistants to enroll as Medicaid providers, it does not require them to do so; it only states they are not prohibited from enrolling. Therefore, neither MMAC nor MHD knows how many physician assistants would choose to enroll and how many would continue billing under their current arrangements. Since Medicaid is already paying for the services delivered by physician assistants, DSS does not anticipate a significant impact from these provisions.

§338.010 - Vaccine administration by pharmacists

Officials from the **DSS-MHD** state these provisions will have no fiscal impact on MHD since MHD assumes that participants are currently receiving all of the vaccinations that they are seeking.

§376.1363 - Insurer utilization review determinations

Officials from the **DSS** state since the legislation requires initial determinations to be made within “thirty-six hours, which shall include one working day”, of receipt of all necessary documentation, the Managed Care Organizations (MCO) that contract to provide services to MO HealthNet Managed Care members may need to hire additional staff in order to ensure there are sufficient utilization management staff (nurses and physicians) available on weekends and holidays to make these determinations in a timely manner. This cost would be passed on to the

ASSUMPTION (continued)

state in the administrative portion of the capitated rate. It is not know how many additional staff each MCO would need, but it can be assumed that at least two additional clinical staff per MCO would be needed for part-time work on an annual basis and that cost could exceed \$100,000 per year. Therefore, the potential fiscal impact is “unknown, greater than \$100,000” for this provision.

**Oversight** assumes these costs would be split approximately 37% General Revenue and 63% Federal. Oversight also assumes these provisions would become effective January 1, 2015 and will present 6 months of cost for FY15.

Officials from the **DIFP** state insurers would be required to submit amendments to their policies to comply with the legislation. Policy amendments must be submitted to the department for review along with a \$50 filing fee. The number of insurance companies writing these policies in Missouri fluctuates each year. One-time additional revenues to the Insurance Dedicated Fund are estimated to be up to \$5,700.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews, the DIFP will need to request additional staff to handle the increase in workload.

§630.167 - DMH Abuse and neglect investigations

Officials from the **Department of Mental Health (DMH)** state this section of the proposal requires two independent reviews for every patient, resident or client death, but the phrase “independent review” is undefined. It is unclear if the reviews are to be done by two doctors, or other agencies, or some other review. In addition, because “investigation” is undefined, it is unclear if this provision applies to those cases referred to the DMH Investigations Unit for an abuse/neglect investigation, or if it applies more broadly to all deaths that DMH reviews. Therefore, should this bill become law, clarifications to the language will be required next year. If DMH is required to obtain two reviews on every death, this will result in an increase in costs. DMH assumes the fiscal impact to be unknown, but less than \$100,000 annually.

Section 1 - Medical clinics in underserved areas

Officials from the **DHSS** state, for fiscal note purposes, DHSS’ estimate is based on the total number of counties designated as Health Professional Shortage Areas (HPSA) and assumes a range of zero to 100 percent participation in the program. Missouri has 106 counties which are designated as primary care HPSAs. Therefore, the range for matching funds from the Medical Clinics in Medically Underserved Area Fund (MCMUAF) could be \$0 to \$10,600,000 (106 counties X \$100,000), as the legislation directs DHSS to prioritize based on need.

ASSUMPTION (continued)

DHSS estimates the following staff would be required to administer the program:

One (1) FTE Program Manager (\$50,000 annually) to direct the overall planning, development, and administration of assigned health programs, assist in the identification of program priorities and the development and implementation of new programs and services, and develop and coordinate a comprehensive public health system for a large geographic area related to the expansion of medical clinics. In addition, one (1) FTE Program Representative (\$38,040 annually) to assume responsibility as delegated by the program manager, for the planning, promotion, implementation, and evaluation of the public health program; maintaining liaison with other administrative units of the department, local governments, community groups, and others interested in program activities; developing program goals, objectives, policies, and procedures; monitoring program activities; managing program resources; assisting in budget development; tracking and monitoring expenditures; preparing assigned program fiscal reports, contracts, and grants; and assessing program effectiveness through program evaluation and data analysis and modifying program delivery to improve implementation and/or outcome.

**Oversight** assumes that contributions/grants to start up medical clinics in medically underserved areas will equal the expenditures/grants to counties and municipalities that provide matching funds and the net impact to the MCMUAF will be \$0.

**Oversight** notes the provisions of the proposal regarding counties and municipalities establishing medical clinics is permissive. Oversight assumes that counties/municipalities would not establish medical clinics unless they could absorb the start-up funds necessary to obtain matching funds from the DHSS/Medical Clinics in Medically Underserved Area Fund. Therefore, Oversight assumes the proposal will have no fiscal impact on local governments.

Officials from the **DSS** state these provisions will have no fiscal impact on the DSS.

Section 2 - DMH screening and assessment guidelines

Officials from the **DMH** state there are costs associated with the development of guidelines. The DMH assumes that the requirements contained in this bill can be incorporated within existing administrative functions and these provisions will have no fiscal impact on the DMH.

Bill as a whole

Officials from **Missouri State University (MSU)** assume the bill would have a negative fiscal impact on MSU, the extent of which cannot be determined and quantified at the present time.

**Oversight** assumes, based on the responses of other colleges and universities and the DHE, the MSU can absorb the impact of this proposal within current funding levels.

ASSUMPTION (continued)

Officials from the **University of Central Missouri (UCM)** estimate the proposal would have a minimal, if any, fiscal impact on UCM.

Officials from the **Missouri Consolidated Health Care Plan**, the **Joint Commission on Administrative Rules**, the **Missouri Department of Conservation**, **Linn State Technical College**, **Missouri Western State University**, and **Northwest Missouri State University** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Department of Public Safety - Missouri State Highway Patrol** defer to the Missouri Department of Transportation Employee Benefits Section for response on behalf of the Highway Patrol. Please see their fiscal note for the potential fiscal impact of this proposal.

Officials from the **Office of Administration - Information Technology Services Division** defer to the Department of Health and Senior Services for response regarding the potential fiscal impact of this proposal.

Officials from the **Missouri Department of Transportation (MoDOT)** did not respond to **Oversight's** request for a statement of fiscal impact. However, in previous responses to various similar provisions now contained in this bill, the MoDOT assumed the proposals would have no fiscal impact on their organization.

Officials from the **Office of the Secretary of State (SOS)** did not respond to **Oversight's** request for a statement of fiscal impact. However, in previous responses to the various similar provisions now contained in this bill, the SOS stated 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 fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes 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 the office can sustain with the core budget. Therefore, the SOS reserves 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.

ASSUMPTION (continued)

Officials from the following **health departments**: Audrain County Health Unit, Boone County Dept of Public Health and Human Services, Cass County Health Department, Harrison County Health Department, Henry County Health Center, Jefferson County Health Department, Linn County Health Department, Madison County Health Department, McDonald County Health Department, Miller County Health Center, Morgan County Health Center, Nodaway County Health Center, Platte County Health Department, Randolph County Health Department, Reynolds County Health Center, Ripley County Health Center, Shelby County Health Department, St Francois County Health Center and the Tri-County Health Department did not respond to **Oversight's** request for fiscal impact.

Officials from the following **hospitals**: Barton County Memorial Hospital, Bates County Memorial Hospital, Cedar County Memorial Hospital, Cooper County Hospital, Excelsior Springs Medical Center, Putnam County Memorial Hospital, and Washington County Memorial Hospital did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>GENERAL REVENUE FUND</b>			
<u>Costs - DSS-MHD (\$174.335)</u>			
Vaccine and administration costs	(\$46,441)	(\$20,341)	(\$20,341)
<u>Costs - DHHS (\$191.761)</u>			
Transportation costs	\$0	(Unknown, greater than \$50,127)	(Unknown, greater than \$51,381)
<u>Costs - OA (\$208.662)</u>			
Alternatives-to-Abortion	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)
<u>Costs - DSS-MHD (\$208.662)</u>			
Program expansion, reporting and development expenditures	(Greater than \$2,965,634)	(\$3,626,399)	(\$3,730,984)
<u>Costs - OA-ITSD/DSS (\$208.662)</u>			
System programming changes	(Greater than \$9,456)	\$0	\$0
<u>Costs - OA-ITSD/DHSS (§§334.035, 334.036 and 334.037)</u>			
System modifications and updates	(\$30,325)	\$0	\$0
<u>Costs - DSS (\$376.1363)</u>			
Increased MCO administrative costs	(Unknown, greater than \$18,500)	(Unknown, greater than \$37,000)	(Unknown, greater than \$37,000)
<u>Costs - DMH (\$630.167)</u>			
Additional reviews	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)	(Unknown, less than \$100,000)

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>GENERAL REVENUE FUND (cont.)</b>			
<u>Costs - DHSS (Section 1)</u>			
Personal service	(\$73,367)	(\$88,920)	(\$89,810)
Fringe benefits	(\$37,421)	(\$45,354)	(\$45,808)
Equipment and expense	<u>(\$35,691)</u>	<u>(\$33,482)</u>	<u>(\$37,319)</u>
Total <u>Costs - DHSS</u>	<u>(\$146,479)</u>	<u>(\$167,756)</u>	<u>(\$172,937)</u>
FTE Change - DHSS	2 FTE	2 FTE	2 FTE
 <u>Transfer-Out - To the University of Missouri</u>			
Transfer of appropriations for the ECHO program	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>	<u>\$0 or</u> <u>(\$1,500,000)</u>
 <b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>			
	<b><u>(\$3,216,835 to</u></b> <b><u>Greater than</u></b> <b><u>\$4,716,835)</u></b>	<b><u>(\$3,901,623 to</u></b> <b><u>Greater than</u></b> <b><u>\$5,401,623)</u></b>	<b><u>(\$4,012,643 to</u></b> <b><u>Greater than</u></b> <b><u>\$5,512,643)</u></b>
Estimated Net FTE Change on the General Revenue Fund	2 FTE	2 FTE	2 FTE
 <b>INSURANCE DEDICATED FUND</b>			
<u>Income - DIFP (§376.1363)</u>			
Form filing fees	<u>Up to \$5,700</u>	<u>\$0</u>	<u>\$0</u>
 <b>ESTIMATED NET EFFECT ON THE INSURANCE DEDICATED FUND</b>			
	<b><u>Up to \$5,700</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
 <b>MISSOURI HEALING ARTS BOARD FUND</b>			
<u>Income - DIFP (§§334.036 and 334.037)</u>			
Licensure and renewal fees	\$0	\$3,630	\$120
 <u>Costs - DIFP (§§334.036 and 334.037)</u>			
Licensing-related expenditures	<u>(\$1,513)</u>	<u>(\$694)</u>	<u>(\$697)</u>
 <b>ESTIMATED NET EFFECT ON THE MISSOURI HEALING ARTS BOARD FUND</b>			
	<b><u>(\$1,513)</u></b>	<b><u>\$2,936</u></b>	<b><u>(\$577)</u></b>



<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>MEDICAL CLINICS IN MEDICALLY UNDERSERVED AREAS FUND</b>			
<u>Income - DHSS (Section 1)</u>			
Grants and other contributions	\$0 to \$10,600,000	\$0 to \$10,600,000	\$0 to \$10,600,000
<u>Costs - DHSS (Section 1)</u>			
Clinic start-up costs	(\$0 to \$10,600,000)	(\$0 to \$10,600,000)	(\$0 to \$10,600,000)
<b>ESTIMATED NET EFFECT ON THE MEDICAL CLINICS IN MEDICALLY UNDERSERVED AREAS FUND</b>			
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>UNIVERSITY FUNDS</b>			
<u>Transfer-In - University of Missouri</u>			
Appropriations for the ECHO Program (\$191.1140)	\$0 or \$1,500,000	\$0 or \$1,500,000	\$0 or \$1,500,000
<u>Costs - University of Missouri</u>			
ECHO Program expenditures (\$191.1140)	\$0 or (\$1,500,000)	\$0 or (\$1,500,000)	\$0 or (\$1,500,000)
<b>ESTIMATED NET EFFECT ON UNIVERSITY FUNDS</b>			
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
<b>FEDERAL FUNDS</b>			
<u>Income - DSS-MHD (§174.335)</u>			
Increase in vaccination and administration revenues	\$87,569	\$54,344	\$54,344
<u>Income - DSS-MHD (§208.662)</u>			
Program expenditure reimbursements	Greater than \$8,431,505	\$10,375,656	\$10,675,970

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>FEDERAL FUNDS (cont.)</b>			
<u>Income - OA-ITSD/DSS (\$208.662)</u>			
System programming reimbursements	Greater than \$9,456	\$0	\$0
<u>Income - DSS (\$376.1363)</u>			
Increased MCO administrative cost reimbursement	Unknown, greater than \$31,500	Unknown, greater than \$63,000	Unknown, greater than \$63,000
<u>Costs - DSS-MHD (\$174.335)</u>			
Increase in vaccination and administration expenses	(\$87,569)	(\$54,344)	(\$54,344)
<u>Costs - DSS-MHD (\$208.662)</u>			
Program expenditures	(Greater than \$8,431,505)	(\$10,375,656)	(\$10,675,970)
<u>Costs - OA-ITSD/DSS (\$208.662)</u>			
System programming expenditures	(Greater than \$9,456)	\$0	\$0
<u>Costs - DSS (\$376.1363)</u>			
Increased MCO administrative costs	<u>(Unknown, greater than \$31,500)</u>	<u>(Unknown, greater than \$63,000)</u>	<u>(Unknown, greater than \$63,000)</u>
<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

### FISCAL IMPACT - Small Business

§174.335 - Small business health care providers may experience a positive fiscal impact if they provide meningococcal vaccines.

§191.1140 - This proposal may have an impact on small business health care providers who participate in the program.

§195.070 - This proposal may have an positive administrative impact on small business health care providers that employ assistant physicians as these assistant physicians will be able to prescribe controlled substances.

§§334.035 - 334.037 - Assistant Physicians would be required to be licensed through the Board of Healing Arts, as well as follow rules and regulations associated with the new license.

§338.010 - This proposal may have a positive fiscal impact on small business pharmacies if they are able provide immunizations.

### FISCAL DESCRIPTION

#### MENINGOCOCCAL VACCINE (Section 174.335)

Under this act, each student attending a public institution of higher education who lives in on-campus housing must receive the meningococcal vaccine unless he or she has a medical or religious exemption. The Department of Higher Education must oversee, supervise, and enforce this requirement and may promulgate rules. The Department of Higher Education may consult with the Department of Health and Senior Services.

#### UMBILICAL CORD BLOOD BANK (Section 191.761)

Beginning July 1, 2015, this act requires the Department of Health and Senior Services to transport collected, donated umbilical cord blood samples to a nonprofit umbilical cord blood bank located in St. Louis City in existence as of the effective date of the act. The collection sites shall only be those facilities designated and trained by the blood bank in the collection and handling of umbilical cord blood specimens.

#### SHOW-ME ECHO PROGRAM (Section 191.1140)

Subject to appropriations, the University of Missouri shall manage the "Show-Me Extension for Community Health Care Outcomes (ECHO) Program". The Department of Health and Senior Services shall collaborate with the University of Missouri in utilizing the program to expand the capacity to safely and effectively treat chronic, common, and complex diseases in rural and underserved areas of the state and to monitor outcomes of such treatment.

FISCAL DESCRIPTION (continued)

COLLABORATIVE PRACTICE ARRANGEMENTS WITH ASSISTANT PHYSICIANS  
(Sections 195.070, 334.035, 334.036, 334.037, Section 1)

This act allows certain medical school graduates to obtain a temporary assistant physician license in order to enter into "assistant physician collaborative practice arrangements" with a physician. An assistant physician collaborative practice arrangement shall limit the assistant physician to providing only primary care services and only in medically underserved rural or urban areas of this state or in any pilot project areas. An "assistant physician", is defined as any medical school graduate who has passed the prescribed medical examinations and who has not entered into postgraduate residency training prescribed by rule of the State Board of Registration for the Healing Arts. The act prescribes the other requirements to be licensed as an assistant physician and specifies certain practices an assistant physician cannot perform.

SHOW-ME HEALTHY BABIES (Section 208.662)

This act establishes the Show-Me Healthy Babies Program within the Department of Social Services as a separate children's health insurance program for any low-income unborn child. For an unborn child to be eligible for enrollment in the program, the mother of the child must not be eligible for coverage under the Medicaid Program as administered by the state and must not have access to affordable employer-subsidized health care insurance or other affordable health care coverage that includes coverage for the unborn child. The unborn child must be in a family with income eligibility of no more than 300% of the federal poverty level or the equivalent modified adjusted gross income unless the income eligibility is set lower by the General Assembly through appropriations. The act delineates all of the parameters of the program.

INSURANCE BENEFIT DETERMINATIONS (Section 376.1363)

This act reduces the time in which a health carrier must make a determination of benefits from two working days to 36 hours, including one working day, after obtaining all necessary information regarding a proposed admission, procedure, or service.

VULNERABLE PERSON ABUSE INVESTIGATIONS (Sections 630.017 and Section 2)

This act provides that upon receipt of a report of possible vulnerable person abuse, the Department of Mental Health shall complete all investigations within 60 days, unless good cause for the failure to complete the investigation is documented.

This act also provides procedures for the screening and assessment of persons receiving services from the Department that address the interaction between physical and mental health to ensure that all potential causes of changes in behavior or mental status caused by or associated with a medical condition are assessed. Such guidelines shall be issued by the Department.

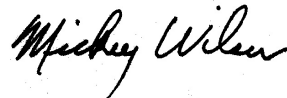
FISCAL DESCRIPTION (continued)

The Department shall develop training that addresses appropriate assessment of behavior or mental status changes. The provisions of this act relating to screening and assessments shall only apply to state owned or operated facilities and not to long-term care facilities or hospitals.

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 Higher Education  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Health and Senior Services  
Department of Social Services  
Missouri Department of Transportation  
Department of Public Safety -  
    Missouri State Highway Patrol  
Missouri Consolidated Health Care Plan  
Joint Commission on Administrative Rules  
Missouri Department of Conservation  
Office of Administration -  
    Commissioner's Office  
    Information Technology Services Division  
Office of Secretary of State  
Linn State Technical College  
Missouri State University  
Missouri Western State University  
Northwest Missouri State University  
University of Central Missouri  
University of Missouri



Mickey Wilson, CPA  
Director  
June 4, 2014

L.R. No. 5335-09

Bill No. Truly Agreed To and Finally Passed CCS No. 2 for HCS for SCS for SB 716

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Ross Strobe  
Assistant Director  
June 4, 2014