

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0460-04  
Bill No.: HCS for SCS for SB 146  
Subject: Licenses - Professional; Health Care; Health Care Professionals  
Type: Original  
Date: May 8, 2015

---

Bill Summary: This proposal modifies provisions relating to professions regulated under the Division of Professional Regulation.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	(\$543,925)	(\$620,306)	(\$627,871)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$543,925)</b>	<b>(\$620,306)</b>	<b>(\$627,871)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<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>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
General Revenue	7	7	7
<b>Total Estimated Net Effect on FTE</b>	<b>7</b>	<b>7</b>	<b>7</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

In response to a similar proposal from this session, HB 735, officials from the **Department of Health and Senior Services (DHSS)** stated section 192.380.2 creates a Perinatal Advisory Committee (PAC) and directs the DHSS to provide necessary support to the council. In addition, DHSS would be responsible for organizing and hosting stakeholder meetings to gather public input to be shared with the PAC. DHSS will need a full time Health Program Representative III (\$38,928 annually) to support and staff the 17 member Perinatal Advisory Council appointed by the Governor. Duties of this position include but are not limited to the following:

- Coordinate with Governor's Office to ensure appointments are made according to membership requirements in Section 192.380.2;
- Assisting potential members with the application process;
- Arrange the council meetings, identify locations for the meetings, and prepare agendas and minutes of the meeting as requested by the Council Chair;
- Coordinate the stakeholder input meetings to be held around the state;
- Provide support for the members of the council, performing relevant data inquiries and compilation of information as requested by the Chair or other members;
- Coordinate collaboration with other appropriate agencies and entities needed to administer provisions of the proposed legislation; and
- Creation and dissemination of reports that compiles information reported on all high-risk birth outcomes (Section 192.380.4(4)) and other information that will be used by the PAC to evaluate and monitor the performance of the perinatal system in Missouri (Section 192.380.4(9)).

Additional funds are requested for the reimbursement of travel expenses for PAC members to attend PAC meetings and to attend the stakeholder public input meetings to be held around the state. DHSS assumes the regular meetings will be held monthly for the first year and quarterly thereafter. It is also assumed that there will be four stakeholder meetings around the state (two urban and two rural) and that a maximum of 6 PAC members will attend those meetings. The cost per PAC member to attend these meetings is calculated at \$180 per day for lodging, meals, and mileage. The total travel cost for stakeholder meetings in the first year calculates to \$4,320 (6 members x 4 meetings x \$180). The total cost for PAC regular meetings in the first year is calculated at \$36,720 (17 members x 12 meetings x \$180). The total cost for PAC meetings in subsequent years is calculated at \$12,240 (17 members x 4 meetings x \$180) each year.

ASSUMPTION (continued)

Section 192.380.9 indicates that the DHSS is to promulgate rules and regulations by January 1, 2017 to establish the standards developed by the Council. DHSS will need a full time Registered Nurse Manager (\$65,359 annually) and one Administrative Office Support Assistant (AOSA) (\$28,104 annually) to support and staff the 17 member Perinatal Advisory Council appointed by the Governor. These two staff will be hired on September 1, 2015.

Section 192.380.10 requires DHSS, beginning January 1, 2016, to ensure that hospital application for license shall include the appropriate level of maternal care designation and neonatal care designation as determined by the standards outlined in subsection 5 of proposed legislation.

DHSS will hire four Health Facilities Nursing Consultants (HFNC, \$53,124 annually, each) to assist in stakeholder engagement and to enforce the rules and regulations as they are promulgated. The HFNC will also survey the facilities for compliance with the standards. This staff will be hired on September 1, 2015.

This program will be similar in operation to the existing Time Critical Diagnosis (TCD) program. The TCD program is voluntary and has two HFNCs and an AOSA dedicated to the program. The program proposed by this bill will impact any hospital with one or more obstetric beds, far more hospitals than the voluntary TCD program. As a result, DRL anticipates staffing requirements of four (4) HFNCs, one AOSA, and one program manager.

Section 192.380.3 states that "broad public and stakeholder input" will be utilized to assist the PAC in making recommendations for the division of the state into neonatal and maternal care regions. It is assumed that obtaining this input from the public will be the duty of the DHSS. Organizing a minimum of four town hall meetings across the state in urban and rural areas would be necessary to accomplish this task.

Total costs to the General Revenue Fund for this proposal are estimated to be \$543,925 for FY 2016; \$620,306 for FY 2017; and \$627,871 for FY 2018.

Officials from the **University of Missouri - Office of Academic Affairs, Research and Economic Development** assume the current proposal would not fiscally impact the University of Missouri System.

ASSUMPTION (continued)

Officials from the **Governor's Office (GOV)** state section 192.380 establishes the Perinatal Advisory Council, which is comprised of seventeen (17) gubernatorial appointees. There should be no added cost to the GOV as a result of this proposal. However, if additional duties are placed on the office related to appointments in other TAFP legislation, there may be the need for additional staff resources in future years.

Officials from the **Department of Elementary and Secondary Education**, the **Administrative Hearing Commission**, the **Department of Social Services**, the **Missouri Consolidated Health Care Plan**, the **Department of Public Safety - Missouri Gaming Commission**, the **Department of Public Safety - Missouri Highway Patrol**, and the **Department of Corrections** assume the current proposal would not fiscally impact their respective agencies.

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
---	---------------------	---------	---------

**GENERAL REVENUE FUND**

<u>Costs - DHSS (\$192,380)</u>			
Personal service	(\$287,406)	(\$348,336)	(\$351,819)
Fringe benefits	(\$149,465)	(\$181,152)	(\$182,963)
Equipment and expense	(\$77,234)	(\$73,844)	(\$75,690)
PAC meeting expense	(\$29,820)	(\$16,974)	(\$17,399)
Total <u>Costs - DHSS</u>	<u>(\$543,925)</u>	<u>(\$620,306)</u>	<u>(\$627,871)</u>
FTE Change - DHSS	7 FTE	7 FTE	7 FTE

<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b><u>(\$543,925)</u></b>	<b><u>(\$620,306)</u></b>	<b><u>(\$627,871)</u></b>
---	---------------------------	---------------------------	---------------------------

Estimated Net FTE Change on the General Revenue Fund	7 FTE	7 FTE	7 FTE
---	-------	-------	-------

<u>FISCAL IMPACT - Local Government</u>	<u>FY 2016</u> <u>(10 Mo.)</u>	<u>FY 2017</u>	<u>FY 2018</u>
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business perinatal centers who provide perinatal care may incur a fiscal impact to adequately address the requirements of the proposed legislation.

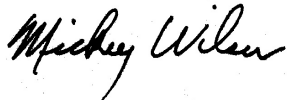
FISCAL DESCRIPTION

The proposal creates the Parental Advisory Committee, to be directed by the Department of Health and Senior Services.

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 Health and Senior Services  
Office of the Governor  
Department of Elementary and Secondary Education  
Administrative Hearing Commission  
Department of Social Services  
Missouri Consolidated Health Care Plan  
Department of Public Safety  
    Missouri Highway Patrol  
    Missouri Gaming Commission  
Department of Corrections  
University of Missouri



Mickey Wilson, CPA  
Director  
May 8, 2015

Ross Strobe  
Assistant Director  
May 8, 2015