

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2028-01
Bill No.: SB 422
Subject: Children and Minors; Health Care; Health Care Professionals; Health Department; Hospitals; Nurses; Nursing and Boarding Homes; Physicians
Type: Original
Date: February 25, 2015

Bill Summary: This proposal establishes requirements regarding life-sustaining treatment policies.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
University Funds	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

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

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

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight notes this proposal appears to be identical to HB 113, from the current session, and is providing the following agency assumptions for that bill:

Officials from the **University of Missouri Health Care System (UM)** stated they have reviewed the proposed legislation and determined that there is an unquantifiable potential negative fiscal impact to UM in excess of \$100,000 annually. The potential impact is uncertain due to the nature of the proposed legislation and the impact on patients that may have no source for payment of these services.

Oversight notes the provisions of the proposal do not require a health care facility, nursing home, or physician to have a written policy relating to life-sustaining or non-beneficial treatment for patients (minor or adult), residents, or wards. However, paragraph 4 provides “No facility shall withhold life-sustaining procedures, food, medication, or nutrition, nor place any restrictions on life-sustaining procedures...for any minor patient, resident or ward without the written permission of at least one parent or legal guardian of the minor patient or ward.”

Oversight assumes if one incident involving a minor patient occurred in a fiscal year where a parent or legal guardian for the minor was not available, insurance denied payment for a life-sustaining procedure, or the hospital could not get the signature of one parent/guardian to withhold life-sustaining procedures or medication, that costs would exceed \$100,000. Therefore, for fiscal note purposes, Oversight will present the fiscal impact of Unknown, greater than \$100,000 annually, as an impact to University Funds.

Officials from the **Department of Health and Senior Services**, the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Social Services**, **MO HealthNet Division**, **Division of Legal Services**, **Missouri Medicaid Audit Compliance Unit** and the **Children’s Division**, and the **Office of State Courts Administrator** each assumed the proposal would not fiscally impact their respective agencies.

ASSUMPTION (continued)

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 a statement of fiscal impact.

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

Costs - University Hospitals

Life-sustaining/non-beneficial treatment to minors	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>
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TOTAL ESTIMATED FISCAL IMPACT ON UNIVERSITY FUNDS

<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
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<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

This proposal could have a negative fiscal impact on small business health care facilities, nursing homes or other health care facilities that may have to provided life sustaining or nonbeneficial treatment to minors.

FISCAL DESCRIPTION

This proposal, to be known as "Simon's Law," requires health care facilities, nursing homes, and physicians to disclose to patients, residents, prospective patients, or parents or legal guardians of minor patients or residents, in writing, any existing policies relating to life-sustaining or

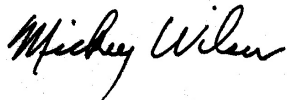
FISCAL DESCRIPTION (continued)

nonbeneficial treatment. Additionally, health care facilities, nursing homes, physicians, nurses, or medical staff shall not withhold or restrict life-sustaining procedures, food, medication, or nutrition without the written permission of at least one parent or legal guardian of a minor patient or ward. Do-not-resuscitate orders or similar physician's orders shall not be instituted without the written permission of at least one parent or legal guardian of the minor patient or resident.

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
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Social Services -
 MO HealthNet Division
 Division of Legal Services
 Missouri Medicaid Audit Compliance Unit
 Children's Division
Office of State Courts Administrator
University of Missouri



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February 25, 2015

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February 25, 2015