

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5273-05
Bill No.: HCS for SCS for SB 836
Subject: Professional Registration and Licensing; Optometry; Department of Higher Education; Physical Therapists; Health Care; Hospitals
Type: Original
Date: May 6, 2016

Bill Summary: This proposal modifies provisions relating to optometry students, establishes the CARE Act, and adopts a physical therapist compact.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | | |
|--|------------|------------|------------|-------------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 | Fully Implemented |
| | | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | | |
|--|------------|------------|------------|--|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 | Fully Implemented |
| Board of Registration for the Healing Arts | \$0 | \$0 | \$0 | \$0 or (Greater than \$116,543) |
| Total Estimated Net Effect on Other State Funds | \$0 | \$0 | \$0 | \$0 or (Greater than \$116,543) |

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 7 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | | |
|---|------------|------------|------------|-------------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 | Fully Implemented |
| | | | | |
| | | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | | |
|---|----------|----------|----------|-------------------|
| FUND AFFECTED | FY 2017 | FY 2018 | FY 2019 | Fully Implemented |
| Board of Registration for the Healing Arts | 0 FTE | 0 FTE | 0 FTE | 0 or 2 FTE |
| | | | | |
| Total Estimated Net Effect on FTE | 0 | 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 2017 | FY 2018 | FY 2019 | Fully Implemented |
| Local Government | \$0 | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Section 191.1150

Oversight assumes this proposal requires hospitals and ambulatory surgical centers to allow a patient to designate a care giver during their admission into a hospital or entry into an ambulatory surgical center and prior to discharge. The hospitals and ambulatory surgical centers will be required to notify the patient's care giver of the patient's discharge or transfer to another facility as soon as practicable. The care of the patient should not be impacted from the inability to contact a care giver.

Sections 334.1200 to 334.1233 - Interstate Compact for Physical Therapists:

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** provide the following assumptions:

The compact will be effective when it is enacted into law in the tenth member state. Currently, no states have enacted the compact and only three states have legislation pending to enact the compact. It is not anticipated the compact would be enacted during FY 2017, FY 2018 or FY 2019 and as a result no fiscal impact to the DIFP during these fiscal years.

Once the compact is enacted the Division of Professional Registration would have the following fiscal impact: One FTE for a Processing Technician I, one FTE for legal counsel, \$6,000 annual fee to participate in the compact, and revenue of \$50 for each license fee with a compact privilege. It is anticipated 200 individuals will apply for a license with compact privilege.

Oversight notes that the provisions of this section will not be effective until 10 states become members of the compact and there is no way to determine when that might occur. However, at the present time, the DIFP states the salary for a Processing Technician I is \$23,880 annually and the salary for 1 FTE Legal Counsel is approximately \$55,000 annually plus fringe benefits.

If the compact were to become effective today, the fiscal impact would be approximately \$78,880 in personal service costs plus \$41,663 in fringe benefits (total \$120,543) plus \$6,000 annual participation fee less \$10,000 in license fee revenue for a net cost to Board of Registration for the Healing Arts Fund of approximately \$116,543 annually. Equipment and expense costs have not been included by are assumed to be minimal.

ASSUMPTION (continued)

In response to a similar proposal from this session, HB 2328, officials from the **Attorney General's Office** assumed that any potential costs arising from the proposal can be absorbed with existing resources.

In response to a similar proposal from this session, HB 2328, officials from the **Office of the State Courts Administrator** assumed the proposal would not fiscally impact their agency.

Section 336.020

In response to a similar proposal from this session, SCS for HB 1816, officials from the **Department of Insurance, Financial Institutions and Professional Registration** assumed the proposal would not fiscally impact their agency.

In response to a similar proposal, SCS for SB 836, Oversight received the following responses:

Officials from the **Department of Higher Education** and the **Department of Health and Senior Services** each assumed the proposal would not fiscally impact their respective agencies.

Officials from the **Northwest Missouri State University**, the **Missouri Western State University**, the **State Technical College of Missouri**, and the **University of Missouri** each assumed the proposal would not fiscally impact their respective colleges and universities.

Bill as a Whole

Officials from the **Northwest Missouri State University**, the **Joint Committee on Administrative Rules**, the **University of Central Missouri**, the **Missouri Consolidated Health Care Plan**, the **Office of Administration**, and the **Department of Mental Health** each assume the current proposal would not fiscally impact their respective organizations.

| <u>FISCAL IMPACT -</u> <u>State Government</u> | FY 2017 (10 Mo.) | FY 2018 | FY 2019 | Fully Implemented |
|--|---------------------|------------|------------|--|
| BOARD OF REGISTRATION FOR THE HEALING ARTS FUND (§§334.1200 to 334.1233) | | | | |
| <u>Income - DIFP</u> | | | | \$0 or ... |
| Licensing fees | \$0 | \$0 | \$0 | \$10,000 |
| <u>Costs - DIFP</u> | | | | \$0 or ... |
| Personal service | \$0 | \$0 | \$0 | (\$78,880) |
| Fringe benefits | \$0 | \$0 | \$0 | (\$41,663) |
| Equipment and expense | \$0 | \$0 | \$0 | (Unknown) |
| Compact participation fee | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>(\$6,000)</u> |
| Total <u>Costs - DIFP</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>(\$126,543)</u> |
| FTE Change - DIFP | \$0 | \$0 | \$0 | 0 or 2 FTE |
| ESTIMATED NET EFFECT ON THE BOARD OF REGISTRATION FOR THE HEALING ARTS FUND | | | | |
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0 or (Greater than \$116,543)</u> |
| Estimated Net FTE Change on the Board of Registration for the Healing Arts Fund | 0 FTE | 0 FTE | 0 FTE | 0 or 2 FTE |

| <u>FISCAL IMPACT -</u> <u>Local Government</u> | FY 2017 (10 Mo.) | FY 2018 | FY 2019 | Fully Implemented |
|---|---------------------|------------|------------|----------------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

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

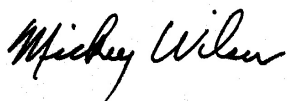
FISCAL DESCRIPTION

This bill establishes this state as a member of a compact to facilitate the interstate practice of physical therapy. The primary purpose of the compact is to preserve the regulatory authority of states to protect public health and safety through the current system of state licensure. The compact will become effective after it has been approved by 10 member states.

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 Health and Senior Services
Office of Administration
Department of Social Services
Joint Committee on Administrative Rules
Missouri Consolidated Health Care Plan
Attorney General's Office
Office of the State Courts Administrator
Northwest Missouri State University
University of Central Missouri
University of Missouri
Missouri Western University
State Technical College of Missouri



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