

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 1962-01  
Bill No.: SB 462  
Subject: Health Care Professionals; Mental Health  
Type: Original  
Date: March 30, 2017

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Bill Summary: This proposal establishes the Psychology Interjurisdictional Compact.

**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented
Professional Registration Administration	\$0	\$0	\$0	\$0
State Committee of Psychologists	\$0	\$0	\$0	\$0 or Less than \$47,000
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0 or Less than \$47,000</b>

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 8 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</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 2018	FY 2019	FY 2020	Fully Implemented
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§§337.100 - 337.165 - Psychology Interjurisdictional Compact**

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** state the compact will be effective when it is enacted into law in the seventh member state. Currently, one state has enacted the compact and only two states (including Missouri) have legislation pending to enact the compact. It is not anticipated the compact would be enacted during FY18, FY19, or FY20 and, as a result, will have no fiscal impact to the DIFP during these fiscal years.

Once the compact is enacted, the DIFP, Division of Professional Registration would have the following fiscal impact: \$3,000 to \$6,000 annual fee to participate in the compact and revenue of \$200 for each Interjurisdictional Practice Certificate.

**Oversight** assumes the earliest the proposal could be enacted would be FY21. However, since the compact will only become effective when the seventh state becomes a member, revenues and costs will be ranged as \$0 or... since it is unknown when the seventh state will become a member.

**Oversight** notes, based on discussions with DIFP officials, that the original compact fee would be paid from the Professional Registration Administration Fund (#0689) and then the fund would be reimbursed from the State Committee of Psychologists Fund (#0580). It would take 250 Interjurisdictional Practice Certificates to be issued to psychologists from compact member states for the potential income to reach \$50,000 (250 X \$200/certificate). Oversight assumes potential revenues will be less than \$50,000 annually if the compact is adopted by 7 member states and at least some are states that border Missouri.

Officials from the **Office of Attorney General (AGO)** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in referrals.

Officials from the **Department of Mental Health, the Department of Corrections, the Department of Social Services, MO HealthNet Division and Division of Legal Services, the Office of the Governor and the Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented
<b>PROFESSIONAL REGISTRATION ADMINISTRATION FUND</b>				
<u>Transfer-in - from</u> State Committee of Psychologists Fund (#580)	\$0	\$0	\$0	\$0 or \$3,000 to \$6,000
<u>Costs - DIFP</u> Interstate compact fee	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (\$3,000 to</u> <u>\$6,000)</u>
<b>ESTIMATED NET EFFECT ON THE PROFESSIONAL REGISTRATION ADMINISTRATION FUND</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented
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**STATE  
 COMMITTEE OF  
 PSYCHOLOGISTS  
 FUND**

Income - DIFP  
 (§§337.100 - 337.165)

Practice certificates issued to compact state practitioners	\$0	\$0	\$0	\$0 or Less than \$50,000
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Transfer-out - to  
Professional  
Registration  
Administration Fund  
(#0689)

Interstate compact fee	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (\$3,000 to</u> <u>\$6,000)</u>
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**ESTIMATED NET  
 EFFECT ON THE  
 STATE  
 COMMITTEE OF  
 PSYCHOLOGISTS  
 FUND**

<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0 or Less than</b></u> <u><b>\$47,000</b></u>
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<u>FISCAL IMPACT -</u> <u>Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

FISCAL IMPACT - Small Business

This proposal could impact small business practitioners if they choose to obtain a certificate to practice in a compact member state.

## FISCAL DESCRIPTION

This act establishes a new psychology interjurisdictional compact for the practice of psychology. The compact does not apply to permanent in-person practice, but regulates the temporary practice of psychology and the day to day practice of telepsychology. Telepsychology is defined in the compact as the provision of psychological services using telecommunication technologies.

Psychologists licensed in a compact state, also known as the home state, are allowed to practice telepsychology into other compact states, referred to as receiving states, where the psychologist is not licensed under an authority to practice interjurisdictional telepsychology. In order to obtain this authority the psychologist must 1) meet certain education requirements; 2) possess a current license to practice psychology from a compact state; 3) have no history of adverse action against his or her license and no criminal record in violation of Psychology Interjurisdictional Compact Commission rules; 4) possess a current E. Passport, as defined in the compact; 5) attest to conformity with standards of practice and competence in telepsychology technology, and knowledge of legal requirements in home and receiving states; and 6) meet any other criteria as required by the Psychology Interjurisdictional Compact Commission and defined by rule.

The home state maintains authority over the license of the psychologist practicing telepsychology into a receiving state, but the psychologist is subject to the receiving state's scope of practice requirements. The receiving state may limit or revoke a psychologist's authority to practice interjurisdictional telepsychology into the receiving state.

The psychologist practicing under a temporary authorization to practice must practice within the scope of practice as authorized by the distant state. The psychologist is subject to the distant state's laws, and the distant state may limit or revoke the psychologist's temporary authorization to practice in the distant state.

When a home state takes adverse action against a psychologist's license then the psychologist's authority to practice interjurisdictional telepsychology or temporary authorization to practice is terminated and his or her E. Passport or IPC is revoked. A compact state must report actions against a licensee to the Commission. When a complaint is filed against a licensee for conduct occurring in a receiving state, the licensee's home state psychology regulatory authority must investigate and take appropriate action as if the conduct had occurred within the home state. In such cases the home state's law shall be used to determine any adverse action against the psychologist's license.

The compact creates the Psychology Interjurisdictional Compact Commission. Each compact state's psychology regulatory authority shall appoint one delegate to serve as a commissioner. The delegate will have the authority to act on behalf of the compact state. The Commission must meet once a year and all meetings are open to the public. The Commission may close a meeting to discuss certain matters as established in the compact.

FISCAL DESCRIPTION (continued)

The Commission shall have the authority to: 1) bring and prosecute legal proceedings in the name of the Commission; 2) purchase and maintain insurance and bonds; 3) contract for services of personnel; 4) hire employees; 5) accept donations and grants; 6) lease or purchase property; 7) establish a budget and make expenditures; 8) borrow money; 9) appoint committees; 10) cooperate with law enforcement including providing and receiving information; and 11) adopt and use an official seal. The Commission may also collect an annual fee from each compact state to cover the cost of operations. All receipts and disbursements of funds handled by the Commission shall be audited yearly.

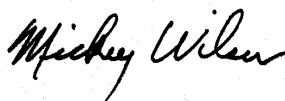
The members, officers, executive director, employees and representatives of the Commission shall be immune from civil suit and liability, both personally and in their official capacity, for any claim arising out of an act or omission committed within the scope of Commission employment. However, immunity from civil liability shall not exist if the person's misconduct was intentional, willful, or wanton. The Commission shall defend any member, officer, executive director, employee or representative in any civil action seeking to impose liability arising out of an act or omission that occurred within the scope of Commission employment or duties.

The compact shall go into effect after seven states have enacted the compact legislation.

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

Office of Attorney General  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Mental Health  
Department of Corrections  
Department of Social Services  
Office of the Governor  
Office of State Courts Administrator



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