

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2436-08  
Bill No.: SCS for SB 1  
Subject: Abortion; Health Care; Health Care Professionals; Health and Senior Services  
Department; Hospitals; Medical Procedures and Personnel; Physicians  
Type: Original  
Date: June 13, 2017

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Bill Summary: This proposal modifies several provisions relating to abortion.

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<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 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<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>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Total Estimated Net Effect on FTE</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>			
<b>FUND AFFECTED</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 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.

In response to similar legislation from the current session, SB 1 (2436-05), the following agency responses were provided:

Officials from the **Department of Health and Senior Services (DHSS)** provided the following information:

#### Section 188.047.3

This legislation mandates that an investigation be conducted for each unreconciled report and that an onsite / unannounced inspection be conducted, depending on the outcome of the investigation. DHSS is unable to quantify the possible number of new investigations or inspections that will be required. However, this could lead to substantial increase in the amount of time spent onsite at abortion facilities and hospitals. Therefore, the fiscal impact of this section is unknown.

#### Section 197.230.2

This language requires the department to make at least one annual unannounced inspection and investigation of all abortion facilities. Since the number of inspections/investigations is indeterminate (at least annually) and the number of abortion providers may change, DHSS is unable to quantify the number of additional inspections/investigations that will be required. Therefore, the fiscal impact of this section is unknown.

**Oversight** assumes additional inspections can be absorbed within current funding levels. However, if inspections/investigations increase significantly, the DHSS may need to request additional funding through the appropriations process.

#### Bill as a whole

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 cases.

ASSUMPTION (continued)

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety, Director's Office** and the **Missouri State Highway Patrol**, the **Department of Social Services, Division of Legal Services**, **MO HealthNet Division** and **Division of Finance and Administrative Services** and the **Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

In response to various proposals from the 2017 Regular Session containing rules language the **Office of Secretary of State** provided the following response:

Officials from the **Office of the Secretary of State (SOS)** state 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.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2018	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018	FY 2019	FY 2020
	<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

TISSUE REPORTS (Section 188.047)

Under current law, a representative sample of tissue removed at the time of abortion is sent to a pathologist for examination. This provision requires that all tissue removed at the time of abortion be sent to the pathologist within twenty-four hours for gross and histopathological examination. The pathologists shall provide a copy of the tissue report to the abortion facility or hospital within seventy-two hours. If the pathological examination does not reveal the presence of a completed abortion, the pathologist shall notify the abortion facility within twenty-four hours.

The Department shall reconcile each notice of abortion with its corresponding tissue report. If the Department does not receive either a notice or a report, the Department shall conduct an investigation and, if a deficiency is discovered, shall perform an unscheduled inspection of the facility to ensure such deficiency is remedied. If the deficiency is not remedied, the Department shall suspend the abortion facility's or hospital's license for at least one year, subject to applicable licensure procedures.

Finally, this provision requires the Department, beginning January 1, 2018, to make an annual report to the General Assembly. The report shall include all reports and information received under this provision and the following for each abortion procedure reported to the Department the previous calendar year: (1) the termination procedure used; (2) whether the Department received the tissue report for that abortion; and (3) the existence and nature, if any, of any inconsistencies or concerns between the physician's abortion report to the Department and the pathologist's submitted tissue report. The report shall not disclose any personal patient information prohibited by law and shall maintain the confidentiality of all personal information of patients, facility personnel, and facility physicians.

FISCAL DESCRIPTION (continued)

ABORTION FACILITY INSPECTIONS (Section 197.230)

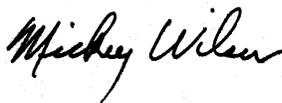
This provision requires the Department to conduct annual, unannounced, on-site inspections and investigations of abortion facilities. These inspections shall, at a minimum, include the following areas: (1) compliance with all statutory and regulatory requirements for an abortion facility, including requirements that the facility maintain adequate staffing and equipment to respond to medical emergencies; (2) compliance with statutory requirements relating to pathologist tissue reports; (3) compliance with state law prohibiting the use of public funds, facilities, and employees to perform or assist a prohibited abortion or to encourage or counsel a women to have a prohibited abortion; and (4) compliance with the requirement in state law that continuous physician or registered professional nursing services be provided whenever a patient is in the facility. Additionally, the inspection and investigation reports shall be available to the public, provided that information not subject to disclosure under the law be redacted.

This act has an emergency clause.

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 Health and Senior Services  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Natural Resources  
Department of Corrections  
Department of Labor and Industrial Relations  
Department of Public Safety -  
Department of Social Services  
Joint Committee on Administrative Rules  
Office of State Courts Administrator  
Office of Secretary of State



Mickey Wilson, CPA  
Director  
June 13, 2017

Ross Strobe  
Assistant Director  
June 13, 2017