

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4178-04
Bill No.: CCS for HCS for SB 660
Subject: Mental Health; Mental Health Department; Employees - Employers; Social Services Department; Insurance - Health; Crimes and Punishment; Criminal Procedure; Courts; Hospitals; Health Care Professionals
Type: Original
Date: May 14, 2018

Bill Summary: This proposal modifies provisions relating to mental health.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$33,500)	\$0	\$0
Total Estimated Net Effect on General Revenue	(\$33,500)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Professional Registration Administration*	\$0	\$0	\$0
State Committee of Psychologists	\$0 or (\$3,000 to \$6,000)	\$0 or (\$3,000 to \$6,000)	\$0 or (\$3,000 to \$6,000)
Total Estimated Net Effect on Other State Funds	\$0 or (\$3,000 to \$6,000)	\$0 or (\$3,000 to \$6,000)	\$0 or (\$3,000 to \$6,000)

*Transfers in and costs net to \$0.

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Federal*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* One-time income and expenses less than \$50,000 in FY 19 net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
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.

§9.270 - Posttraumatic Stress Awareness Day

In response to similar legislation (HB 1375), officials from the **Office of Administration** assumed the proposal will have no fiscal impact on their organization.

§§208.217, 552.020, 630.745 and 630.945 - Provisions relating to mental health

Officials from the **Department of Mental Health (DMH)** state the DMH assumes no fiscal impact should this legislation pass. Disproportionate Share Hospital payments generates approximately \$130 million in additional revenues for the state.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Labor and Industrial Relations**, the **Department of Social Services**, the **Missouri Consolidated Health Care Plan**, the **Missouri Office of Prosecution Services** and the **Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

In response to the previous version of this proposal, officials from the **Office of Administration** and the **Office of State Public Defender** each assumed the proposal would not fiscally impact their respective agencies.

§§337.025 - 337.165 - Licensure as a psychologist if program meets certain requirements and 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, two states have enacted the compact and seven other states (including Missouri) have introduced legislation to enact the compact. It is uncertain if the compact would be enacted in FY19, FY20, or FY21. 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.

ASSUMPTION (continued)

Oversight notes the DIFP has modified its response from the one provided for similar legislation from the current session (SB 733) as a result of receiving clarification regarding licensure fees for practitioners wishing to participate under the compact. It has been determined that any interjurisdictional licensing fees would go to the Association of State and Provincial Psychology Boards rather than to the State of 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 litigation.

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

In response to the previous version of this proposal, officials from the **Office of the Governor** assumed the proposal would not fiscally impact their agency.

§632.005 - Psychiatric physician assistants, psychiatric assistant physicians, and advanced practice registered nurses to provide psychiatric treatment to certain mental health patients

Officials from the **Department of Mental Health** assume the proposal would not fiscally impact their agency.

Officials from the **Department of Social Services (DSS)**, **MO HealthNet Division (MHD)** state this legislation revises chapter 632 by adding definitions for psychiatric assistant physician and psychiatric physician assistant under chapter 334.

This legislation only adds definitions to chapter 632, but does not change MO HealthNet reimbursement under Chapter 208, RSMo, or impact MO HealthNet health care plans regulated under Chapter 376, RSMo.

Therefore, MHD assumes there would be no fiscal impact for Managed Care or Fee-for-Service with regard to utilization of services. However, there would be an estimated negative impact of \$67,000 for adding a new specialty. The total cost includes updating rules, prior authorization processing, and updates to the ad hoc reporting tool. This impact would be in FY19, and would be a 50/50 split among State and Federal.

MHD assumes services provided by psychiatric physician assistant and psychiatric assistant physician will be paid from DMH budget, therefore MHD defers to DMH for costs associated.

ASSUMPTION (continued)

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Consolidated Health Care Plan** and the **Missouri Department of Transportation** each assume the proposal would not fiscally impact their respective agencies.

In response to similar legislation (HCS HB 2295), officials from the **Missouri Department of Conservation** assumed the proposal would not fiscally impact their agency.

In response to similar legislation (HCS HB 2295), officials from the following **hospitals**: Barton County Memorial Hospital, Bates County Memorial Hospital, Cass Regional Medical Center, Cedar County Memorial Hospital, Cooper County Memorial Hospital, Excelsior Springs Hospital, Golden Valley Memorial Hospital, Hermann Area District Hospital, Putnam County Memorial Hospital, Samaritan Hospital, the University of Missouri Health System 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 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Costs - DSS (\$632.005)</u>			
System changes	<u>(\$33,500)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$33,500)</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
PROFESSIONAL REGISTRATION ADMINISTRATION FUND (#689)			
<u>Transfer-in</u> - from State Committee of Psychologists Fund (#580) (§§337.100 - 337.165)	\$0 or \$3,000 to \$6,000	\$0 or \$3,000 to \$6,000	\$0 or \$3,000 to \$6,000
<u>Costs</u> - DIFP (§§337.100 - 337.165)			
Interstate compact fee	<u>\$0 or (\$3,000 to \$6,000)</u>	<u>\$0 or (\$3,000 to \$6,000)</u>	<u>\$0 or (\$3,000 to \$6,000)</u>
ESTIMATED NET EFFECT ON THE PROFESSIONAL REGISTRATION ADMINISTRATION FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**STATE COMMITTEE OF
PSYCHOLOGISTS FUND (#580)**

<u>Transfer-out</u> - to Professional Registration Administration Fund (#689)(§§337.100 - 337.165) Interstate compact fee	<u>\$0 or (\$3,000 to \$6,000)</u>	<u>\$0 or (\$3,000 to \$6,000)</u>	<u>\$0 or (\$3,000 to \$6,000)</u>
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**ESTIMATED NET EFFECT ON THE
STATE COMMITTEE OF
PSYCHOLOGISTS FUND**

<u>\$0 or (\$3,000 to \$6,000)</u>	<u>\$0 or (\$3,000 to \$6,000)</u>	<u>\$0 or (\$3,000 to \$6,000)</u>
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<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
FEDERAL FUNDS			
<u>Income - DSS (§632.005)</u>			
Increase in reimbursement for system changes	\$33,500	\$0	\$0
<u>Costs - DSS (§632.005)</u>			
System changes	<u>(\$33,500)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</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. (§§337.100 - 337.165)

This proposal may positively impact small business physicians offices that might provide psychiatric treatment using physician assistants or assistant physicians. (§632.005)

FISCAL DESCRIPTION

This bill also adopts the Psychology Interjurisdictional Compact in order to regulate the day-to-day practice of telepsychology by psychologists across state boundaries. The compact regulates psychological services using telecommunication technologies only, it does not apply to in-person, face-to-face practice by an out-of-state psychologist except to authorize the temporary in-person, face-to-face practice of psychology by psychologists across state boundaries for up to 30 days per calendar year. (§§337.100 - 337.165)

FISCAL DESCRIPTION (continued)

This bill adds psychiatric physician assistants, psychiatric assistant physicians and advanced practice registered nurses who are licensed under chapter 334 to the definition of mental health professionals for the purposes of Chapter 632, RSMo. (§632.005)

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 Mental Health
Department of Insurance, Financial Institutions and Professional Registration
Office of Attorney General
Department of Higher Education
Department of Corrections
Department of Labor and Industrial Relations
Department of Public Safety -
 Missouri State Highway Patrol
Department of Social Services
Office of the Governor
Missouri Consolidated Health Care Plan
Missouri Department of Conservation
Missouri Department of Transportation
Missouri Office of Prosecution Services
Office of Administration
Office of State Courts Administrator
Office of State Public Defender

Ross Strobe



Acting Director
May 14, 2018