

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 2697-01  
BILL NO.: SB 1012  
SUBJECT: Contracts and Contractors; Health Care; Health Care Professionals; Physicians;  
Hospitals; Medical Procedures and Personnel  
TYPE: Original  
DATE: March 8, 2000

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
None			
<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 LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Consolidated Health Care Plan**, the **Department of Public Safety - Missouri State Highway Patrol**, the **Department of Social Services**, the **Department of Conservation**, and the **Department of Transportation** assume this proposal would not fiscally impact their agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses would expect to be fiscally impacted to the extent that they would incur additional administrative costs due to the requirements of this proposal.

DESCRIPTION

This proposal would prohibit the utilization of non-compete clauses in certain situations and would clarify the extent to which they may be used in other situations. A new Section 334.108 would make covenants not to compete enforceable except when they would be part of a physician's contract with a not-for-profit health services corporation as defined in Section 354.010. Covenants with other health care facilities would be enforceable as long as they: 1. Do not deny the physician access to a list of patients the physician saw within a year of contract termination; 2. Provide access to patient medical records with the patient's consent and in an accessible format; 3. Provide for a buy-out of the covenant by the physician at a reasonable price; and 4. Provide that the physician would not be prohibited from providing continuing treatment to specific acutely ill patients after the contract has terminated.

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DESCRIPTION (continued)

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

Missouri Consolidated Health Care Plan  
Department of Social Services  
Department of Transportation  
Department of Public Safety  
Missouri State Highway Patrol  
Department of Conservation



Jeanne Jarrett, CPA  
Director  
March 8, 2000