

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1511-01
Bill No.: SB 558
Subject: Health Care; Health Care Professionals; Hospitals; Medical Procedures and
 Personnel; Physicians
Type: Original
Date: March 26, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

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

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<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 clarify the use of non-compete clauses in contracts between physicians and hospitals. A new Section 334.113 would be created and would make covenants not to compete enforceable except when they are 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 had seen within a year of 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.

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 Insurance
Missouri Consolidated Health Care Plan
Department of Social Services
Department of Conservation
Department of Transportation
Department of Public Safety
Missouri State Highway Patrol
Department of Economic Development
Division of Professional Registration



Jeanne Jarrett, CPA
Director

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