

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3901-01
Bill No.: SB 924
Subject: Dentists; Health Care; Licenses - Professional; Charities; Public Assistance;
 Economic Development Dept
Type: Original
Date: February 6, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$0	\$0	\$0
Dental Fund	\$0	\$10,000	\$1,250
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$10,000	\$1,250

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Department of Health and Senior Services**, and the **Office of State Public Defender** indicate there would be no fiscal impact to their agencies.

Officials from the **Missouri Office of Prosecution Services** stated that any additional costs to prosecutors could be absorbed.

Officials from the **Secretary of State's Office (SOS)** assumed the rules, regulations and forms issued by the Missouri Dental Board could require as many as 8 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$492 for FY 2003. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

According to officials from **Department of Economic Development - Division of Professional Registration (DED - PR)**, this proposed legislation creates a new category of licenses for the not-for-profit corporations owning dental practices. It is estimated that there will be 40 applicants for licensure the first year, 50 the second and 55 the third and that a \$250 license fee will be charged every two years. It is assumed that the Missouri Dental Board can utilize its existing appropriation to implement this proposal. With the increase in licensees there is always the potential of an increase in complaints and investigations. It is assumed that licensure will begin in FY 04 as the board will have to develop forms, write rules, etc. before implementation can begin.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
DENTAL FUND			
<u>Income - Licensing Fees</u>	<u>\$0</u>	<u>\$10,000</u>	<u>\$1,250</u>

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

\$0

\$0

\$0

FISCAL IMPACT - Small Business

Small business could be impacted if some patients or dentists would transfer to a not-for-profit corporation.

DESCRIPTION

This proposed legislation regulates not-for-profit corporations providing dental services.

Current law allows the Dental Board to investigate dental offices along with their records, labs, and equipment for violations of the chapter. This proposal allows the Board to also investigate not-for-profit corporations licensed to practice dentistry (Section 332.051).

Current law prohibits any person from practicing dentistry without a license. This act prohibits corporations or entities from practicing without a license as well. Only 501(c)(3) corporations under Chapters 355 or 356, RSMo, will be allowed to practice dentistry. Such corporations must only provide dental services to Medicaid recipients and to those persons with income under 200% of the federal poverty level and such patients must make up 90% of the corporation's practice. They must only employ Missouri-licensed dentists, dental hygienists, and dental assistants. The corporation must be organized for health purposes only. Licensed corporations will be subject to all disciplinary and license approval procedures (Section 332.081).

Corporations and entities are added to current law which imposes a Class A misdemeanor on persons who practice without a license and allows injunctions or restraining orders to prevent further unauthorized practice. In addition, interfering with a licensed dentist's professional judgment is added as an enjoined act. Finally, the Board may subpoena and apply for court orders, if necessary (Sections 332.111, 332.121, and 332.332).

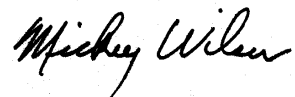
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would increase state revenue.

SOURCES OF INFORMATION

Department of Economic Development
 Division of Professional Registration
Office of State Courts Administrator
Office of Prosecution Services
Office of Secretary of State
 Division of Administrative Rules
Department of Health and Senior Services
Office of State Public Defender

Not responding

Office of Attorney General
Department of Corrections
Department of Social Services
Office of Administration
 Administrative Hearing Commission



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