

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3901-02  
Bill No.: SCS for SB 924  
Subject: Dentists; Health Care; Licenses - Professional; Charities; Public Assistance;  
 Economic Development Dept  
Type: Original  
Date: February 19, 2002

**FISCAL SUMMARY**

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<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 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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, Department of Social Services,** and the **Office of Administration - Administrative Hearing Commission** indicate there would be no fiscal impact to their agencies.

Officials from the **Office of Attorney General** indicated that any costs to their agency as a result of the proposed legislation 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 34 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 \$2,091 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of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.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
<b>DENTAL FUND</b>			
<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 ).

Section 332.071, RSMo, currently defines the practice of dentistry. This proposal adds to the definition the review of exam findings, x-rays, or other patient data in order to decide about the dental care of a patient.

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 300% 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. (Sections 332.111 and 332.121).

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 Secretary of State  
    Division of Administrative Rules  
Department of Health and Senior Services  
Office of Attorney General  
Department of Social Services  
Office of Administration  
    Administrative Hearing Commission



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