

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3922-09  
Bill No.: HCS for SS for SCS for SB 1107  
Subject: Ambulances and Ambulance Districts; Emergencies; Health Care Professionals; Health Dept.; Licenses - Misc.; Medical Procedures and Personnel; Motor Carriers; Counties; Fire Protection; Taxation and Revenue - General  
Type: Original  
Date: May 15, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$925)	(\$28,731)	(\$1,178)
<b>Total Estimated Net Effect on <u>All State Funds</u></b>	<b>(\$925)</b>	<b>(\$28,731)</b>	<b>(\$1,178)</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 Federal Funds</u></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>(\$270,000)</b>	<b>(\$270,000)</b>	<b>(\$270,000)</b>

**\*DOES NOT REFLECT UNFUNDED ACCRUED ACTUARIAL LIABILITY OF \$6,820,000 TO THE FIREFIGHTERS RETIREMENT SYSTEM WHICH IS NOT CONSIDERED A LOCAL GOVERNMENT FUND FOR FISCAL NOTE PURPOSES.**  
**# Does not include Unknown income from taxpayers covered by a fire protection district and an ambulance district.**

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 10 pages.

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## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of Attorney General** stated any costs associated with the proposed legislation can be absorbed within existing resources.

Officials from the **Missouri Department of Conservation, Office of State Courts Administrator, Department of Social Services, Department of Highways and Transportation, Department of Economic Development (DED) - Division of Professional Registration, DED - Public Service Commission, DED - Motor Carrier Railroad Safety, Department of Mental Health, Department of Public Safety (DPS) - Division of Fire Safety, DPS - Missouri Veterans' Commission, Office of Secretary of State - Elections Division, Office of State Treasurer, COA - Division of Facilities Management, COA - Division of General Services and Department of Insurance** assume the proposed legislation will not fiscally impact their organizations.

Officials from the **Office of Administration (COA) - Administrative Hearing Commission** anticipates that this legislation will not significantly alter its caseload. However, if other similar bills also pass, there will be a fiscal impact. If there are more cases, or more complex cases, there could be a fiscal impact.

Officials from the **COA - Division of Budget and Planning (BAP)** stated the proposed legislation should not result in additional costs or savings to the BAP. However, the proposed legislation would increase total state revenue.

Officials from the **Joint Committee on Public Employee Retirement (JCP)** indicates that this legislation does represent a "substantial proposed change" in future plan benefits as defined in Section 105.660(5). Therefore, an actuarial cost statement as defined in Section 105.665 must be provided prior to final action on this legislation by either legislative body or committee thereof.

Pursuant to Section 105.670, this actuarial cost statement must be filed with 1) the Chief Clerk of the Missouri House of Representatives, 2) the Secretary of State and 3) the Joint Committee on Public Employee Retirement as public information for at least (5) legislative days before final passage of the bill.

An actuarial cost statement for this legislation has not been filed with the Joint Committee on Public Retirement. It would be impossible to accurately determine the fiscal impact of this proposed legislation without the actuarial cost statement prepared in accordance with Section 105.665.

ASSUMPTION (continued)

In response to a similar piece of legislation, the officials with the **St. Louis Firefighters Retirement System (STLFRS)** assume the proposal would cost the city of St. Louis \$270,000 per year in increased contributions.

Officials from the **Office of Prosecution Services** state costs associated with the proposed legislation could be absorbed within existing resources.

Officials from the **Department of Health and Senior Services (DOH)** stated the DOH assumes that this program would need to employ 1.00 FTE with the skills and knowledge of a Consultant Community Health Nurse to provide the technical capacity and a source of reference to respond to questions from hospitals, emergency medical care providers, and care providers on occupational "exposures" while rendering emergency health care services and to ensure that rules are promulgated to implement this legislation. Based on the definition of contagious or infectious diseases in this proposal, it is assumed that testing for occupational exposure at this time would be limited to hepatitis B, hepatitis C, and tuberculosis. Appropriate performance of those tests is based upon the recommendations given by the CDC in MMWR, June 29, 2001/50 (RR11); 1-42. It is estimated that there are 12,000 occupational exposures to blood borne pathogens in Missouri annually.

It also requires an additional member to be appointed to the State Advisory Council on EMS from St. Louis City. This additional member will attend six meetings each year with a cost of \$65.00 for lodging, \$45.00 for meals and \$75.00 for mileage per meeting. The total cost per year will be \$1,110.

**Oversight** assumes the DOH would be able to perform the duties mandated under the proposed legislation with existing staff.

Officials from the **Department of Revenue (DOR)** provided the following assumptions related to the proposed legislation:

## **ADMINISTRATIVE IMPACT**

### **Division of Taxation**

Information Technology Bureau:

A voter approved sales tax for ambulance/fire protection district is authorized. This will require program changes to the Missouri Income Tax System (MITS) in order to create a shape file, to create

ASSUMPTION (continued)

the boundaries for the district. It is estimated the above program changes will require 692 hours of programming at a total cost of \$23,085. The State Data Center Cost to implement the proposed legislation will be \$4,503.

Officials from the **Office of the Secretary of State (SOS) - Rules Division** state this bill revises requirements and regulations for ambulances, emergency services and personnel. The Department of Health and Senior Services will promulgate rules to implement this bill. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Health and Senior Services could require as many as 68 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$4,182 [(68 pp x \$27) + (102 pp x \$23)].

**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.

Officials from the **Taney County Ambulance District** did not respond to our request for a statement of fiscal impact.

**The proposed legislation would result in an increase in Total State Revenue.**

<u>FISCAL IMPACT - State Government</u>	FY 2003	FY 2004	FY 2005
	(10 Mo.)		
<b>GENERAL REVENUE FUND</b>			
<u>Costs - Department of Health and Senior Services</u>			
Council Member Meeting Expenses	<u>(\$925)</u>	<u>(\$1,143)</u>	<u>(\$1,178)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Total <u>Costs</u> - Department of Health and Senior Services	<u>(\$925)</u>	<u>(\$1,143)</u>	<u>(\$1,178)</u>
<u>Costs - Department of Revenue</u>			
Programming Costs	\$0	(\$23,085)	\$0
Implementation Costs	\$0	(\$4,503)	\$0
Total <u>Costs</u> - Department of Revenue	<u>\$0</u>	<u>(\$27,588)</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b><u>(\$925)</u></b>	<b><u>(\$28,731)</u></b>	<b><u>(\$1,178)</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<u>Costs</u> - City of St. Louis			
Increased Contributions to Firefighters Retirement System	<u>(\$270,000)*</u>	<u>(\$270,000)*</u>	<u>(\$270,000)*</u>
<b>FIRE PROTECTION AND/OR AMBULANCE DISTRICTS</b>			
<u>Income</u> - Personal Property Taxes from taxpayers covered by a fire protection district and an ambulance district	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<b>ESTIMATED NET EFFECT ON FIRE PROTECTION AND/OR AMBULANCE DISTRICTS</b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>	<b><u>Unknown</u></b>
<b>ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS#</b>	<b><u>(\$270,000)#</u></b>	<b><u>(\$270,000)#</u></b>	<b><u>(\$270,000)#</u></b>

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**# Does not include Unknown income from taxpayers covered by a fire protection district and an ambulance district.**

FISCAL IMPACT - Small Business

The proposed legislation may result in an increase in small business insurance premiums if a significant number of personnel need to be tested for contagious and infectious diseases.

An additional sales tax may be imposed in counties voting for such a tax for ambulance and fire protection districts. As a result, small businesses could pay more tax.

The estimated net effect is unknown.

### DESCRIPTION

Any firefighter who terminates employment with five or more years of service but less than twenty years may apply at age sixty-two for a service retirement allowance. The benefit payable shall be equal to two percent times years of service times the average final compensation and the member shall also be repaid the total amount of the member's contribution, without interest. The benefits provided shall be in lieu of any benefits payable pursuant to section 87.240. Any survivor of a firefighter retiring shall be entitled to fifty percent of the retirement allowance of the retired member at his or her date of death. Any surviving spouse who had five but less than twenty years of service who dies prior to application for retirement benefits shall be entitled to fifty percent of the retirement allowance of the member at his or her date of death payable at the date the member would have reached age sixty-two or the immediate refund of the member's contribution plus interest. If no surviving spouse exists, a benefit shall be payable by the immediate refund of the member's contribution plus interest. Any firefighter retiring pursuant to the provisions of this section shall be entitled to receive a cost-of-living allowance of five percent per year for a maximum of five years. (Section 87.177)

In lieu of any benefits payable pursuant to section 87.230, any surviving spouse who is receiving retirement benefits, upon application, shall be made, appointed and employed by the board as a special consultant on the problems of retirement, aging, and other state matters for the remainder of his or her life and shall be compensated monthly, in an amount, which, when added to any monthly retirement benefits being received, shall not exceed fifty percent of the deceased member's average final compensation or five hundred twenty-five dollars, whichever is greater. This compensation shall be consolidated with any other retirement benefits payable to such surviving spouse and shall be paid in the manner and from the same fund as his or her other retirement benefits. The employment shall not affect any person's eligibility for retirement benefits or have a reducing effect on retirement benefits. (Section 87.231)

For the additional service as a special advisor, each retired person shall receive, in addition to the retirement allowance, an additional amount, which amount, together with the retirement allowance he or

### DESCRIPTION (continued)

she is receiving shall equal, but not exceed, six hundred twenty-five dollars. Any retirement allowance paid to a retiree pursuant to this subsection shall be withdrawn from the firefighters' retirement and relief system fund and no moneys shall be withdrawn from the general revenue of any city not within a county. (Section 87.238)

This act revises the requirements to be a candidate for Ambulance District Director (Section 190.050). Procedures for changes in the number of directors in a district and the recall of

directors are created (Sections 190.051 to 190.054). Any person or entity that owns an automated external defibrillator used outside of a health care facility must have a physician review all protocols (Section 190.092). The definition of "first responder" is deleted (Section 190.092).

The State Advisory Council on Emergency Medical Service should seek to have representation from air ambulance services and at least one member of each regional EMS committee must be associated with an air ambulance service.

With certain exceptions, each ground ambulance must be staffed by two licensed emergency medical technicians (Section 190.105). Owners of a ground or air ambulance service must notify the Department of Health and Senior Services within 30 days of the sale of the service and the Department shall conduct an inspection of the service to ensure compliance with licensure standards (Sections 190.105 and 190.108).

After June 1, 2003, no air ambulance provider shall be eligible for medicaid reimbursement or receive a new air ambulance license unless it demonstrates to the Department that it is accredited or applied for accreditation from a nationally recognized aeromedical transport accrediting association that was selected by the Department (Section 190.108). Application requirements for an ambulance license are revised (Sections 190.109 and 190.120). Air ambulance providers must carry a minimum of \$20 million in general liability insurance that includes coverage for damage to buildings caused by an aircraft (Section 190.120).

The act provides that all levels of emergency medical technician may provide pre-hospital emergency patient care and continued emergency care in a health facility (Section 190.142). Provided the person meets other current requirements for a temporary license, a person not currently licensed as an emergency medical technician in Missouri may be issued a 90-day temporary license (Section 190.143). Additional causes for discipline of an ambulance license are created. Any individual whose license has been revoked twice in ten years shall not be eligible for a new license (Section 190.165).

#### DESCRIPTION (continued)

Any settlement agreement in a contested case against a licensee must be submitted to the administrative hearing commission for its approval. Any person directly harmed by the actions of a licensee may submit an impact statement to the Commission (Section 190.172).

A patient care document must be given to ambulance personnel by a health care facility for any transfer of the patient to a different facility (Section 190.175).

Requirements regarding the reporting of certain felonies by licensees to the Department are created (Section 190.196).

The act creates procedures for the issuance and discipline of a new license category for stretcher van services to transport persons in a supine position who do not require medical monitoring or treatment other than self-administered oxygen (Sections 190.525 to 190.537).

Section 190.044, RSMo, has been deleted. This section relieved a taxpayer of the obligation to pay property taxes for ground ambulance service to both an ambulance district and a fire protection district unless certain conditions were met.

This act revises the qualifications of candidates for fire protection district directors in third and fourth class counties. A candidate must reside in the district for two years before the election or appointment.

Currently, the candidate must reside in the county in which the district is located for two years.

A candidate for director in a newly formed district must reside in the district for one year before the election or appointment.

If a care provider sustains an exposure from a person while rendering emergency health care services, the person whom the care provider was exposed is deemed to consent to a test to determine if the person has a contagious or infectious disease and is deemed to consent to notification of the care provider of the results of the test. The hospital where the person is delivered shall conduct the test. The sample and test results shall only be identified by a number and shall not otherwise identify the person tested. All hospitals will have written policies and procedures for notification of a care provider. If a person tested is diagnosed or confirmed as having a contagious or infectious disease, the hospital shall notify the care provider or designated representative. This section does not require or permit, unless otherwise provided, a hospital to administer a test for the express purpose of determining the presence of a contagious or infectious disease. A hospital participating in good faith in complying with these provisions is immune from any liability. The employer of a care provider who sustained an

DESCRIPTION (continued)

exposure shall pay the costs of testing for the person who is the source of the exposure and of the testing of the care provider if the exposure was sustained during the course of employment. (Section 191.631)

Except in any county of the first classification with over two hundred thousand inhabitants, the governing body of any ambulance or fire protection district may impose a sales tax in an amount up to one-half of one percent on all retail sales made in the ambulance or fire protection district provided that such sales tax shall be accompanied by a reduction in the district's tax rate as defined in section 137.073, RSMo. All revenue received by a district from the tax authorized



pursuant to this section shall be deposited in a special trust fund and shall be used solely for the purposes specified in the proposal. All sales taxes collected by the director of revenue, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds shall be deposited in a special trust fund to be known as the "Ambulance or Fire Protection District Sales Tax Trust Fund." The moneys in the tax trust fund shall not be deemed to be state funds. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credit any district for erroneous payments and overpayments made. If a district abolishes the tax, the district shall notify the director of revenue at least ninety days prior to the effective date of the repeal of the tax. The director of revenue may order retention in the trust fund for a period of one year, of two percent collected after receipt of such notice to cover possible refunds or overpayment of the tax. After the year has elapsed, the director of revenue will remit the balance in the account to the district. (Section 321.552)

When the revenue from the ambulance or fire protection district sales tax is collected, the board of the district, after determining its budget for the year and the rate of levy needed to produce the required revenue, shall reduce the total operating levy of the district in an amount sufficient to decrease the revenue it would have received by an amount equal to fifty percent of the previous fiscal year's sales tax receipts. Loss of revenue based on certain circumstances shall be considered in lowering the rate of levy. The board may adjust its operating levy for the current year to reflect such increases or decreases. The director of revenue shall certify the amount payable to the general revenue fund to the state treasurer. (Section 321.554)

The governing body of a county may establish an emergency communications system commission. (Section 650.393) All funds collected from any tax approved pursuant to section 650.399 shall be deposited in a "Emergency Communications System Fund." (Section 650.402)

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

Joint Committee on Public Employee Retirement

Office of Administration

- Division of General Services
- Division of Budget and Planning
- Division of Facilities Management
- Administrative Hearing Commission

Missouri Department of Conservation

Office of Attorney General

Department of Mental Health

Department of Economic Development

- Motor Carrier Railroad Safety

HW-C:LR:OD (12/01)

- Public Safety Commission
- Professional Development

Department of Highways and Transportation  
Department of Public Safety

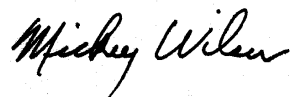
- Division of Fire Safety
- Missouri Veterans' Commission

Department of Insurance  
Office of State Treasurer  
Department of Social Services  
Office of Prosecution Services  
Office of State Courts Administrator  
Department of Revenue  
Office of Secretary of State

- Administrative Rules Division
- Elections Division

Department of Health and Senior Services  
St. Louis Firefighters Retirement System

**NOT RESPONDING: Taney County Ambulance District**



Mickey Wilson, CPA  
Acting Director  
May 15, 2002