

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3922-12
Bill No.: Truly Agreed To And Finally Passed CCS for HS for 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 31, 2002

FISCAL SUMMARY

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

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*#	(\$270,000)	(\$270,000)	(\$270,000)

***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.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Administration (COA) - Division of General Services** stated the Central Accident Reporting Office (CARO) provides workers' compensation benefits to state employees in most state agencies. The workers' compensation act defines an occupational disease and the responsibilities of the employer to treat an employee. CARO currently meets the obligations of the workers' compensation act. Since this legislation makes no changes to Chapter 287, RSMo, COA officials assume no additional cost to CARO. However, it does appear some state agencies would have to meet the cost of testing the source individual, an expense not assumed by CARO.

Officials from the **COA - Administrative Hearing Commission (AHC)** stated the AHC 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 **Department of Social Services, Missouri Department of Conservation, Department of Economic Development (DED) - Community Economic Development, DED - Professional Registration, DED - Motor Carrier Railroad Safety, Department of Insurance, Department of Mental Health, Department of Highways and Transportation, Department of Public Safety (DPS) - Missouri Highway Patrol, DPS - Missouri Veterans' Commission, DPS - Division of Fire Safety, Office of State Courts Administrator, Missouri State Employees Retirement System, Office of State Treasurer and Missouri Highway and Transportation Employees' and Highway Patrol Retirement System** assume the proposed legislation will have no fiscal impact on their organization.

Officials from the **Office of the Secretary of State (SOS)** 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)].

ASSUMPTION (continued)

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 **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.

Therefore, the DOH assumes total costs for FY 03 of \$73,269, FY 04 of \$85,082 and FY 05 of \$87,283.

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

Officials from the **Office of Attorney General** assume any costs associated with the proposed legislation could be absorbed within current resources.

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.

ASSUMPTION (continued)

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.

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 (OPS)** did not respond to our request for a statement of fiscal impact. However, in response to similar legislation OPS officials stated costs associated with the proposed legislation could be absorbed within existing resources.

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 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.

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

FISCAL IMPACT - State Government FY 2003 FY 2004 FY 2005

GENERAL REVENUE FUND

Costs - Department of Health and Senior Services

Council Member Meeting Expenses (\$925) (\$1,143) (\$1,178)

Total Costs - Department of Health and Senior Services (\$925) (\$1,143) (\$1,178)

Costs - Department of Revenue

Programming Costs \$0 (\$23,085) \$0

Implementation Costs \$0 (\$4,503) \$0

Total Costs - Department of Revenue \$0 (\$27,588) \$0

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND **(\$925)** **(\$28,731)** **(\$1,178)**

FISCAL IMPACT - Local Government FY 2003 FY 2004 FY 2005

Costs - City of St. Louis

Increased Contributions to Firefighters Retirement System **(\$270,000)*** **(\$270,000)*** **(\$270,000)***

FIRE PROTECTION AND/OR AMBULANCE DISTRICTS

Income - Personal Property Taxes from taxpayers covered by a fire protection district and an ambulance district Unknown Unknown Unknown

ESTIMATED NET EFFECT ON FIRE PROTECTION AND/OR AMBULANCE DISTRICTS **Unknown** **Unknown** **Unknown**

ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS# **(\$270,000)#** **(\$270,000)#** **(\$270,000)#**

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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

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

This act revises various provisions relating to emergency services.

Firefighters with between five and twenty years of employment may apply for a service retirement allowance at age sixty-two. Surviving spouses may receive fifty percent of the allowance upon the date the deceased would have reached age sixty-two (Section 87.207). Current language regarding the calculation of rates at which allowances will increase is removed (Section 87.207). In lieu of benefits, surviving spouses may work as consultants to the Board for compensation (Section 87.231). As of May 1, 2002, a retirement allowance of seventy percent of the deceased's next highest salary will be paid to a widow (Section 87.235). Any retired firefighter who is receiving an allowance of less than \$625 may act as a special advisor and receive an additional amount (Section 87.238).

Districts providing emergency services will receive reimbursement of between fifty and one hundred percent of the district's tax increment (Section 99.847).

The requirements to be a candidate for Ambulance District Director are revised (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). Current law requiring the presence of a mobile emergency medical technician when transporting a patient is deleted (Section 190.094). A definition is added for "emergency medical technician- intermediate", "proof of financial responsibility", "and "specialty care transportation" (Section 190.100).

Membership on the State Advisory Council on Emergency Medical Services is increased to sixteen, with one member from St. Louis city (190.101). With certain exceptions, each ground ambulance must be staffed by two licensed emergency medical technicians. 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). Application requirements for an ambulance license are revised (Sections 190.109 and 190.120). Ambulance service providers must show proof of insurance or of financial responsibility with adequate reserves (Section 190.120). The Department must accredit or certify training for emergency medical technicians-intermediate (Section 190.131). Emergency medical response agencies in certain counties may be licensed to provide advanced life support services with services of EMT-Is (Section 190.133).

DESCRIPTION (continued)

This act removes the provision regarding patients transported in vehicles other than ambulances (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). Licensees with lapsed licenses may request a return to active status within two years of the lapse (Section 190.145). Additional compliance for licensure renewal and 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 (Sections 190.160, 190.165, and 190.171).

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). Additional requirements for the promulgation of departmental rules are created (Section 190.185). Requirements regarding the reporting of certain felonies by licensees to the Department are created (Section 190.196).

Provisions regarding the use of epinephrine auto-injectors are created (Section 190.246). Any investigation into the violation of emergency services regulations must be completed within six months with full departmental access to records (Section 190.248).

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). Any person who violates the provisions of Sections 190.525 to 190.527 shall be guilty of a Class B misdemeanor (Section 190.534).

Should an emergency health care worker be exposed to a potentially infectious disease, the person to whom the worker was exposed is deemed to consent to testing for such disease. Notification procedures are outlined. The employer must pay testing costs (Sections 191.630 and 191.631).

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 (Sections 321.130 and 321.180).

DESCRIPTION (continued)

This act allows the governing body of an ambulance or a fire protection district, except for those in counties of the first class with over 200,000 inhabitants, to impose an up to one-half of one percent sales tax on all retail sales within the district following voters' approval.

The Department of Revenue will collect and distribute the revenue from the district sales tax monthly at the cost of one percent the total revenue collected. After collecting and distributing the sales tax, the board of the ambulance or fire protection district will determine its budget for the year and determine the amount of property tax necessary to fund the district. The district may then reduce the tax rate by an amount which reduces the property tax revenue by an amount equal to fifty percent of the previous fiscal year's sales tax receipts.

When the governing body of the ambulance or fire protection district receives a petition signed by at least twenty percent of the qualified voters that voted in the last gubernatorial election, calling for an election to repeal the sales tax, the governing body will submit the question to the voters (Sections 321.552 through 321.556)

This act adds provisions regarding ambulance services and hospital liens (Section 1).

Section 190.044, RSMo, has been repealed. 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 contains an emergency clause.

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

Office of Administration

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

Department of Social Services

Office of Secretary of State

Missouri Department of Conservation

Missouri Highway and Transportation Employees' and Highway Patrol Retirement System

Office of State Courts Administrator

Department of Public Safety

- Division of Fire Safety
- Missouri Veterans' Commission
- Missouri Highway Patrol

Department of Economic Development

- Division of Professional Registration
- Division of Motor Carrier Railroad Safety
- Division of Community Economic Development

Office of Attorney General

Joint Committee On Public Employee Retirement

Department of Highways and Transportation

Department of Mental Health

Department of Health and Senior Services

Department of Insurance

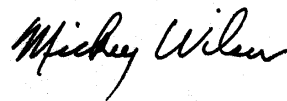
St. Louis Firefighters Retirement System

Missouri State Employees Retirement System

Office of State Treasurer

Department of Revenue

NOT RESPONDING: Office of Prosecution Services



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Acting Director

May 31, 2002

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