

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4307-01
Bill No.: SB 1047
Subject: Certificate of Need; Health Care; Nursing and Boarding Homes.
Type: Original
Date: February 11, 2002

FISCAL SUMMARY

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

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 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DOH)** stated this legislation would not be expected to significantly impact the operations of the DOH. If the proposal were to substantially impact the DOH programs, then the DOH would request funding through the legislative process.

Officials from the **Missouri Health Facilities Review Committee** assume the proposed legislation will not fiscally impact their organization.

Officials from the **Department of Social Services - Division of Medical Services** stated the bill will not have a fiscal impact on the fiscal note reporting period of FY 03 through FY 05. The average statewide occupancy as of September 2001, was 77%.

If the average statewide occupancy for four consecutive quarters was reached in 2003, the moratorium would be lifted after December 2004 (FY 05). It would then take several months for the construction and licensing/certification of the beds which would put start-up of the new beds into FY 06.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This act revises the moratorium on the certificate of need (CON) expenditure minimum for beds. Sections 197.305, 197.317 and 197.318, RSMo, impose a January 1, 2003 moratorium on the imposition of expenditure minimums and on the issuance of a CON for new beds. This act continues the moratorium until December 31 of any year in which all facilities licensed under

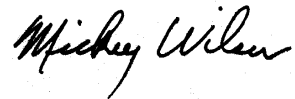
chapter 198 have maintained a ninety percent occupancy rate for four quarters.

DESCRIPTION (continued)

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 Health and Senior Services
Missouri Health Facilities Review Committee
Department of Social Services



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