

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4897-01
Bill No.: SB 1230
Subject: Aircraft and Airports; Ambulances and Ambulance Districts; Emergencies; Health Dept.
Type: Original
Date: March 12, 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 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance** assume the proposed legislation will not fiscally impact their organization.

Officials from the **Office of the Secretary of State (SOS)** state this bill modifies the requirements for air ambulance services. 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 16 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of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn.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 \$984 [(16 pp x \$27) + (24 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 **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 **Department of Social Services - Division of Medical Services (DMS)** stated this legislation would have no fiscal impact on the DMS. This act requires air ambulance services to seek accreditation from an as yet unspecified accreditation organization. Therefore, we do not yet know what the requirements for accreditation are or if current providers will meet these requirements. The DMS would see no new costs or savings from the passage of this legislation due to the fact that Medicaid will still pay for medically necessary services for Medicaid recipients.

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

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

This act modifies provisions relating to air ambulance services.

The law currently creates the State Advisory Council on Emergency Medical Services and outlines its duties. This act adds a requirement for representation on the Council by air ambulance services (Section 190.101). Current law requires regional EMS committees. This act requires that at least 1 members of each regional committee be associated with an air ambulance service (Section 190.102).

Currently, the law requires an investigation before the issuance of an air ambulance license. By January 1, 2003, this act requires the Department of Health and Senior Services to select a nationally recognized aeromedical transport accreditation organization with requirements equal to or better than the Commission on Accreditation of Medical Transport Services. By rule, the Department must develop criteria for air ambulance services to seek accreditation. By June 1, 2003, no air ambulance provider may receive Medicaid reimbursement unless it is accredited or is seeking accreditation. By rule, the Department must waive its accreditation provisions for previously accredited air ambulance providers (Section 190.108).

Current law requires air ambulance providers to carry insurance. This act requires each licensed air ambulance provider to carry no less than \$50 million in general liability insurance, including specific coverage for damage to buildings (Section 190.120).

After August 31, 2002, a new section prohibits the operation of single engine rotary aircraft for air ambulance services and requires full 360 degree access to all patients. An exception is provided for those aircraft already in use prior to that date. All aircraft and personnel must be able to provide an advanced life support level of care (Section 190.122).

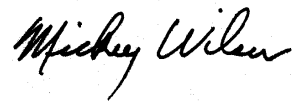
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

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

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Department of Insurance
Office of Secretary of State
Department of Health and Senior Services
Department of Social Services - Division of Medical Services

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director
March 12, 2002