

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2506-02  
Bill No.: HB 1214  
Subject: Health Care; Health Care Professionals; Health, Public; Medical Procedures and Personnel  
Type: Original  
Date: March 8, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Medical Imaging and Radiation Therapy Fund	\$0	\$248,347	(\$184,585)
PR Fees Fund	(\$17,808)	\$17,808	\$0
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$17,808)</b>	<b>\$266,155</b>	<b>(\$184,585)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Office of the Governor , Office of State Courts Administrator, Missouri Consolidated Health Care Plan, Department of Insurance, Missouri Senate and Office of State Public Defender** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Corrections (DOC)** state the DOC cannot predict the number of new commitments which may result from the creation of the offenses(s) outlined in this proposal. An increase in commitment depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost through supervision provided by the Board of Probation and Parole (FY 03 average of \$3.15 per offender, per day or an annual cost of \$1,150 per offender per year).

Supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

### ASSUMPTION (continued)

HWC:LR:OD (12/02)

Officials from the **Office of the Secretary of State (SOS)** state this proposal enacts the Medical Imaging and Radiation Therapy Quality Assurance Act of 2004. Based on experience with other divisions, the rules, regulations and forms issued by the Division of Professional Registration could require as many as 10 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 \$615 [(10 pp x \$27) + (15 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 Economic Development (DED) - Division of Professional Registration (PR)** state provide the following assumptions related to this proposal:

Based on an estimate of Occupational Projections by the DED, Missouri Works, Labor Market Information for nuclear medical technologists, radiologic technologies, and radiation therapists, it is estimated there are approximately 5,140 individuals in the state of Missouri that will be required to be licensed. DED-PR assumes a fee of \$125 will be paid for all categories of licensure with biennial renewal. DED-PR estimates a 3% growth rate and assumes licensure begins in FY 06, resulting in revenue to the Medical Imaging and Radiation Therapy Fund of \$642,500 in FY 06. Revenues for FY 07 are estimated to be \$11,565.

DED-PR assumes all fees collected and all expenses would be deposited into and paid out of the Medical Imaging and Radiation Therapy Fund. DED-PR notes expenses occurring prior to an appropriation (FY 05) would be borrowed from another fund within Professional Registration and paid back in FY 06 or FY 07.

DED-PR assumes implementation of the proposal will require hiring an additional 1.5 FTE in FY 06, as follows: Principal Assistant - 0.5 FTE at \$53,484 to serve as the senior executive officer of the agency, Licensure Technician II (0.5 FTE at \$25,092) to provide technical support, process applications for licensure and respond to any inquiries related to the licensure law or rules & regulations, and an Account Clerk II (0.5 FTE at \$23,784) to provide support for DED-ASSUMPTION (continued)

PR Central Accounting and Central Cash Receiving Room. DED-PR assumes rental space will be needed for these additional FTE at an annual cost of approximately \$2,325.

DED-PR assumes the eleven (11) member board would meet four (4) times per year for two (2) days per meeting, in Jefferson City. DED-PR notes the Principal Assistant, Licensure Technician and an Attorney General representative will also attend the meeting. DED-PR assumes there would be four (4) meetings in FY 05 to promulgate rules and regulations. It is estimated that each board member will receive reimbursement for expenses for each day conducting board business. The proposal does not allow members to receive any other compensation.

DED-PR assumes 182 complaints would be received each year and would require, on average, five hours each to complete. DED-PR estimates 30% of these complaints (55) will require field investigations, each needing 30 hours of field work and one night's lodging. Travel expenses for the investigation are estimated at \$18,425 annually. DED-PR assumes complaints and investigations would not start until FY 07.

DED-PR assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO). DED-PR estimates 25% of investigations (14) would be forwarded to the AGO for further action. Assuming \$5,400 cost per case, DED-PR estimates \$75,600 annually beginning in FY 07. DED-PR also estimates the AGO would provide approximately 60 hours of assistance with rules, opinions and meetings per year. Assuming an hourly rate of \$60.87, these costs are estimated at \$3,652 yearly beginning in FY 05.

DED-PR assumes printing and postage costs will be incurred in the first year for statute and rule mailings and for startup printing of rules, applications, letterhead and envelopes. DED-PR estimates printing and postage costs at \$6.25 per licensee in the first year, for a total cost of \$32,125. Subsequent years' printing and postage costs are expected to be \$5,500 annually, based on a similarly-sized board.

DED-PR assumes licensed medical imaging and radiation therapists will represent 1.49% of DED-PR's overhead. As such, the board will be required to reimburse the Division and the Department of Economic Development for its share of administrative overhead costs, \$37,644 per annum. DED-PR assumes these costs will begin in FY 05.

For fiscal note purposes only, **Oversight** assumes the following:

- 1) The \$37,644 in administrative costs will generally offset the required reimbursement of other funds, and will not be used for the new FTE.

ASSUMPTION (continued)

2) Rental space will not be required for three additional part time FTE. Additional furniture and equipment will not be required for the 0.5 FTE positions.

3) **Oversight** has, for fiscal note purposes only, changed the starting salary for the Licensure Technician II and the Account Clerk II to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research.

4) Fees have been adjusted to reflect an amount needed to cover operations of the board. Biennial fees of \$75 result in revenue of \$385,500 for the Medical Imaging and Radiation Therapy Fund for FY 06 and \$5,783 for the fund for FY 07. Sufficient fee income should be generated during each biennial fee cycle to cover expenses of operations during the second year of the cycle.

DED-PR assumes one 0.5 Principal Assistants will be needed to serve as the senior executive officers.

Officials from the **Office of Attorney General (AGO)** state the proposal creates a new licensing board within the Division of Professional Registration. The Board has the power to license, accredit, discipline and hear appeals. The AGO assumes it would need 0.5 Assistant Attorney General I to assist the Board in the rule-making process, licensing and investigative matters, including the issuance of subpoenas. The AGO estimates costs of \$19,023 for FY 05; \$23,397 for FY 06; and \$23,983 for FY 07.

**Oversight** assumes costs incurred by the AGO's office will be reimbursed by the Medical Imaging and Radiation Therapy Fund.

Officials from the **Office of Prosecution Services (OPS)** did not respond to our request for a statement of fiscal impact.

**Oversight** assumes any costs incurred by the OPS would be absorbable within current funding levels.

**This proposal will increase Total State Revenue.**

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>MEDICAL IMAGING AND RADIATION THERAPY FUND</b>			
<u>Income - DED-PR</u>			
Licensure Fees/Renewals	\$0	\$385,500	\$5,783
<u>Costs - DED-PR</u>			
Transfers to PR Fees Fund	<u>\$0</u>	<u>(\$137,153)</u>	<u>(\$190,368)</u>
<b>ESTIMATED NET EFFECT O MEDICAL IMAGING AND RADIATION THERAPY FUND</b>	<b><u>\$0</u></b>	<b><u>\$248,347</u></b>	<b><u>(\$184,585)</u></b>
<b>PR FEES FUND</b>			
<u>Income - DED-PR</u>			
Transfer from Medical Imaging and Radiation Therapy Board Fund	\$0	\$137,153	\$190,368
<u>Costs - DED-PR</u>			
Personal Service (1.5 FTE)	\$0	(\$48,242)	(\$49,449)
Fringe Benefits	\$0	(\$19,972)	(\$20,472)
Expense and Equipment	(\$14,156)	(\$47,479)	(\$41,195)
AGO Costs	<u>(\$3,652)</u>	<u>(\$3,652)</u>	<u>(\$79,252)</u>
Total <u>Costs - DED-PR</u>	<u>(\$17,808)</u>	<u>(\$119,345)</u>	<u>(\$190,368)</u>
<b>ESTIMATED NET EFFECT ON PR FEES FUND</b>	<b><u>(\$17,808)</u></b>	<b><u>\$17,808</u></b>	<b><u>\$0</u></b>
<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

### FISCAL IMPACT - Small Business

This proposal may fiscally impact small businesses or small businesses that employ radiation and medical imaging therapists.

### DESCRIPTION

This proposal contains provisions pertaining to medical imaging and radiation therapy and will be known as the Medical Imaging and Radiation Therapy Quality Assurance Act of 2004. The proposal:

- (1) Creates the Medical Imaging and Radiation Therapy Board of Examiners within the Division of Professional Registration;
- (2) Requires all persons administering medical imaging and radiation therapy procedures to be licensed by the board;
- (3) Exempts physicians, dentists, chiropractors, podiatrists, registered nurses, certain qualified persons currently practicing medical imaging and radiation therapy from licensure;
- (4) Establishes certain criteria to be met by applicants for licensure as radiographers, radiation therapists, nuclear medicine technologists, and dental radiographers;
- (5) Authorizes the board to certify programs for medical imaging and radiation therapy in medical facilities, dental facilities, educational institutions, or other public or private institutions;
- (6) Gives the board the authority to adopt rules; give examinations; waive examination requirements; establish continuing education; issue temporary permits; and renew, revoke, and suspend licenses; and
- (7) Authorizes the board to investigate charges and allegations brought against licensees, issue subpoenas, hold hearings, render judgments, and hear appeals.

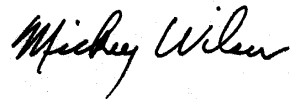
The proposal contains a penalty provision.

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 Budget and Planning  
Office of State Courts Administrator  
Department of Economic Development -  
    Division of Professional Development  
Department of Corrections  
Missouri Consolidated Health Care Plan  
Department of Social Services  
Department of Insurance  
Missouri Senate  
Office of Secretary of State  
Office of State Public Defender

**NOT RESPONDING: Office of Prosecution Services**



Mickey Wilson, CPA  
Director  
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