

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3698-02
Bill No.: HB 1090
Subject: Boards, Commissions, Committees, Councils; Economic Development Dept.;
Licenses - Professional
Type: Original
Date: January 25, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Medical Imaging and Radiation Therapy Licensure	\$0	\$705,691	(\$277,912)
PR Fees	(\$242,951)	\$0	\$0
Other PR	\$0	\$24,710	\$67,699
Total Estimated Net Effect on <u>Other</u> State Funds	(\$242,951)	\$730,401	(\$210,213)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator, Office of the Governor, Missouri Consolidated Health Care Plan, Department of Insurance, Missouri Senate, Office of State Public Defender, and Office of State Treasurer** 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)

Officials from the **Office of Administration - Administrative Hearing Commission** assume the proposal will not significantly alter its caseload. However, if other similar proposals also pass, there are more cases or more complex cases, there could be a fiscal impact.

Officials from the **Department of Social Services (DOS)** state currently the Missouri Medicaid program does not individually enroll a radiographer, radiation therapist, nuclear medicine technologist, dental radiographer, sonographer or a vascular technologist (also known as an ultrasound technologist or a sonologist). Diagnostic ultrasound services are covered when billed by a hospital or a clinic and these entities are required to ensure that the service is provided by an accredited individual. As a result, the proposal will have no fiscal impact to the DOS.

Officials from the **Office of Prosecution Services** state the proposal will not have a significant direct fiscal impact on county prosecutors.

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal to the SOS for administrative rules is less than \$1,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such proposals may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Department of Economic Development (DED) - Division of Professional Registration (PR)** state provide the following assumptions related to this proposal:

Based on a 2005 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 7,712 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 and a renewal fee of \$115. DED-PR estimates a 3% growth rate and assumes licensure begins in FY 08 and renewals beginning in FY 10. Revenue to the Medical Imaging and Radiation Therapy Licensure Fund is projected to be \$964,000 in FY 08 and \$28,875 in FY 09.

The DED-PR assumes all fees collected and all expenses would be deposited into and paid out of the Medical Imaging and Radiation Therapy Licensure Fund. DED-PR notes expenses occurring

ASSUMPTION (continued)

prior to an appropriation (FY 08) would be borrowed from another fund within Professional Registration and paid back in FY 10.

The DED-PR assumes implementation of the proposal will require hiring an additional 3.0 FTE in FY 07, as follows: Principal Assistant - 1.0 FTE at \$59,532 to serve as the senior executive officer of the agency, an Administrative Office Support Assistant (1.0 FTE at \$28,260) to provide administrative support to the director and assist with board meetings, complaints and discipline, and a Licensure Technician II (1.0 FTE at \$26,292) to provide technical support, process applications and respond to inquiries. The DED-PR assumes rental space will be needed for these additional FTE at an annual cost of \$8,394.

The DED-PR assumes the twelve (12) member board would meet four (4) times per year for two (2) days per meeting, in Jefferson City. The DED-PR notes the Principal Assistant, one clerical staff member and the division's legal counsel will also attend the meeting. The DED-PR assumes there would be four (4) meetings in FY 07 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.

The DED-PR assumes 354 complaints would be received each year and would require, on average, five hours each to complete. The DED-PR estimates 30% of these complaints (106) will require field investigations and 16 (106 X 30% X 50%) will require an investigator to incur overnight expenses. Travel expenses for the investigations are estimated at \$2,839 annually. The DED-PR assumes complaints and investigations would not start until FY 08.

The DED-PR assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO). The DED-PR estimates \$20,276 annually for AGO assistance with board meetings, opinions, promulgation of rules and regulations, interpretation of legislation, litigation, etc.

The 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. The DED-PR estimates printing and postage costs at \$6.25 per licensee in the first year, for a total cost of \$48,200. Subsequent years' printing and postage costs are expected to be \$20,667 annually, based on a similarly-sized board.

The DED-PR assumes licensed medical imaging and radiation therapists will represent 0.5% 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, \$16,064 for FY 08 and \$58,794 for FY 09.

ASSUMPTION (continued)

Oversight has, for fiscal note purposes only, changed the starting salary for the Administrative Office Support Assistant and Licensure Technician II to correspond to the first 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.

Oversight notes that the inclusion of rent expense and administrative overhead costs in the total costs to be incurred by the Medical Imaging and Radiation Therapy Licensure Board will result in a lower allocation of these expenses to other licensing boards. As a result, **Oversight** has shows a savings to Other Professional Registration (PR) Funds in an amount equal to the expense to the Medical Imaging and Radiation Therapy Licensure Board.

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 \$28,799 for FY 07; \$30,621 for FY 08; and \$31,415 for FY 09.

Oversight assumes the AGO will absorb the duties associated with the Medical Imaging and Radiation Therapy Licensure Board within current staffing levels and will not require the equipment associated with the 0.5 FTE position. In addition, **Oversight** assumes other costs incurred by the AGO's office will be reimbursed by the Medical Imaging and Radiation Therapy Licensing Fund.

This proposal will increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
MEDICAL IMAGING AND RADIATION THERAPY LICENSURE FUND			
<u>Transfer-In - DED-PR</u>			
Transfer from PR Fees Fund	\$242,951	\$0	\$0
<u>Income - DED-PR</u>			
Licensure Fees/Renewals	\$0	\$964,000	\$28,875
<u>Costs - DED-PR</u>			
Personal Service (3.0 FTE)	(\$90,569)	(\$112,207)	(\$115,012)
Fringe Benefits	(\$39,905)	(\$49,438)	(\$50,674)
Expense and Equipment	(\$91,661)	(\$56,904)	(\$58,611)
AGO and other allocated costs	<u>(\$20,816)</u>	<u>(\$39,760)</u>	<u>(\$82,490)</u>
Total <u>Costs</u> - DED-PR	<u>(\$242,951)</u>	<u>(\$258,309)</u>	<u>(\$306,787)</u>
ESTIMATED NET EFFECT ON MEDICAL IMAGING AND RADIATION THERAPY LICENSURE FUND	<u>\$0</u>	<u>\$705,691</u>	<u>(\$277,912)</u>
PR FEES FUND			
<u>Transfer-Out - DED-PR</u>			
Transfer to Medical Imaging and Radiation Therapy Licensing Fund	<u>(\$242,951)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON PR FEES FUND	<u>(\$242,951)</u>	<u>\$0</u>	<u>\$0</u>
OTHER PR FUNDS			
<u>Savings - Other PR Funds</u>			
Reduction in rent and overhead costs allocated to other licensing boards	<u>\$0</u>	<u>\$24,710</u>	<u>\$67,699</u>
ESTIMATED NET EFFECT ON OTHER PR FUNDS	<u>\$0</u>	<u>\$24,710</u>	<u>\$67,699</u>

FISCAL IMPACT - Local Government

FY 2007
(10 Mo.)

FY 2008

FY 2009

\$0

\$0

\$0

FISCAL IMPACT - Small Business

The proposal may fiscally impact small businesses that employ radiation and medical imaging therapists if they pay licensing fees.

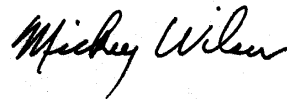
DESCRIPTION

This proposal establishes the Medical Imaging and Radiation Therapy Quality Assurance Act of 2006. 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, veterinarians, dentists, chiropractors, podiatrists, registered nurses, and 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) Authorizes the board to adopt rules; give examinations; waive examination requirements; establish continuing education; issue temporary permits; and renew, revoke, and suspend licenses; (7) Authorizes the board to investigate charges and allegations brought against licensees, issue subpoenas, hold hearings, render judgments, and hear appeals; and (8) Requires, beginning August 28, 2009, persons providing the technical component of diagnostic ultrasound services (sonography or vascular technology) to be credentialed or practice in an accredited laboratory.

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 Attorney General
Office of the Governor
Office of Administration -
 Administrative Hearing Commission
Office of State Courts Administrator
Department of Economic Development -
 Division of Professional Registration
Department of Corrections
Department of Social Services
Missouri Consolidated Health Care Plan
Department of Insurance
Office of Prosecution Services
Missouri Senate
Office of Secretary of State
Office of State Public Defender
Office of State Treasurer



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