

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4803-03
Bill No.: HCS for HB 1660 & 1269
Subject: Attorneys; State Departments
Type: Original
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FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$444,322 to \$949,990)	(\$455,041 to exceeding \$1,061,842)	(\$464,106 to exceeding \$1,070,904)
Total Estimated Net Effect on General Revenue Fund	(\$444,322 to \$949,990)	(\$455,041 to exceeding \$1,061,842)	(\$464,106 to exceeding \$1,070,904)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
PR Fees	(Unknown less than \$301,164)	\$0	\$0
Athletic	\$0	\$35,390	\$8,650
Board of Private Investigator Examiners	\$0	\$100,916	(\$88,483)
Medical Imaging and Radiation Therapy Licensure	\$0	\$616,091	(\$280,547)
Nursing	\$0	(\$347,119)	(\$303,730)
Other PR	\$2,915	\$55,800	\$87,532
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown less than \$298,249)	\$461,078	(\$576,578)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 25 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	(Unknown expected to exceed \$83,333)	(Unknown expected to exceed \$100,000)	(Unknown expected to exceed \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Public Safety, Office of State Courts Administrator, Department of Mental Health, Missouri Consolidated Health Care Plan, Department of Revenue, Department of Insurance, Office of State Treasurer, Missouri Senate, and Putnam County Memorial Hospital** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Office of Prosecution Services** state the proposal will not have a significant direct fiscal impact on county prosecutors although it may lead to an increase in prosecutions/workloads.

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

Officials from the **Office of Secretary of State (SOS)** state the proposal changes provisions for Department of Economic Development, Division of Professional Registration, Office of Athletics, Real Estate Commission, Massage Therapists, Board of Private Investigator Examiners, Dental Board, State Board of Healing Arts, Physical Therapist Assistants, Physician Assistants, Medical Imaging and Radiation Therapist Assistants, Committee for Professional Counselors, and the Department of Health and Senior Services, Board of Nursing Home Administrators. They may all promulgate rules to carry out the provisions of this proposal.

ASSUMPTION (continued)

These rules would be published in both the Missouri Register and Code of State Regulations. These rules may require as many as 120 pages in the Code of State Regulations and 180 pages in the Missouri Register because of cost statements and fiscal notes, etc. that are not repeated in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The SOS estimates a total cost of \$7,380 [(180 pgs. X \$23) + (120 pgs. X \$27)]. These costs are estimates and depend on the number of rules printed, rescinded, and amended.

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 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 either incarceration (FY 05 average of \$39.13 per inmate per day or an annual cost of \$14,282 per inmate) or 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).

DOC assumes the narrow scope of the crime will not encompass a large number of offenders. The low felony status of the crime enhances the possibility of plea-bargaining or the imposition of a probation sentence. The probability also exists that offenders would be charged with a similar but more serious offence of that sentences may run concurrent to one another.

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.

Officials from the **Department of Elementary and Secondary Education (DES)** defer to the Department of Health and Senior Services for costs relating to the “children’s vision commission” established in section 167.195. In addition, DES defers to the individual school districts regarding the potential costs of this section. However, it appears reasonable to assume that schools will experience additional costs in the form of training, equipment, record keeping, parental notice, and additional personnel to carry out the requirements of the section. It appears likely these costs could exceed \$100,000 annually.

ASSUMPTION (continued)

Relating to the remaining sections of the proposal, the DES states should new crimes and amendments to current law result in additional fines or penalties, the DES cannot know how much additional money might be collected by local governments or the Department of Revenue to distribute to schools. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to schools increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year, unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fund money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state for funding the formula.

Officials from the **Parkway Public School District** state the proposal should not have a major impact because they already conduct the screenings and follow-ups at Kindergarten, first grade, and third grade.

Officials from the **Department of Social Services (DOS) - Division of Medical Services (DMS)** provide the following assumptions related to the proposal:

1) Sections 41.950, 317.001-317.019, 324.245-324.270, 324.1150-324.1198, 338.149, 338.220, 339.010-339.100, 334.222-334.234, 334.020-344.108, 383.130-383.133, 537.035, 610.120, 620.010, 621.045-621.110, and 660.315 have no fiscal impact on the DOS-DMS;

2) Section 167.195 requires all public school districts to conduct at least one eye screening exam for each student prior to the completion of first grade beginning July 1, 2007 and continuing through the 2009-2010 school year and establishes the "Children's Vision Commission". The screening exam shall be approved by the children's vision commission and performed by a trained school nurse or school district employee. The Department of Health and Senior Services (DOH) shall compile the screening results for review by the commission. When a student fails the screening examination, the school district shall send a notice to the parent/guardian if a complete eye examination is required from an optometrist or an ophthalmologist.

The children's vision commission shall standardize the screening test and reporting form, coordinate training for school district staff, conduct a three-year pilot project to track the screenings' results, develop a brochure regarding the benefits of eye care, and produce a report for the general assembly with the findings. The DOH shall provide funding and staff support to the commission.

The DMS is unable to determine the number of Medicaid children who would fail the screening examination and be required to receive a complete eye examination from an optometrist or an ophthalmologist. Therefore, the cost to the DMS is unknown exceeding \$100,000 annually.

ASSUMPTION (continued)

3) Sections 332.052-332.071 modifies the regulations related to dentists' record-keeping requirements. Patient records are required to be maintained for the longer of seven years, or in the case of a minor, five years from the age of majority. Currently, Medicaid requires enrolled providers to maintain patient records for five years. If the proposal passes, Medicaid providers would be affected by the change. However, there would be no fiscal impact to the DMS.

4) Sections 334.103, 334.655-334.660, 335.066-335.068, 337.510, 337.615, 338.035, and 338.147 relate to the revocation or reinstatement of physician licenses, license requirements for a physical therapist, disciplinary actions against a licensed nurse, education-experience requirements and licensure of professional counselors, licensing of intern pharmacists, and cease and desist orders against pharmacists. In each of these instances, the Division of Professional Registration sends notification to the DMS of the action taken. Therefore, there is no fiscal impact to the DMS.

5) Sections 334.1000-334.1024 enact the "Medical Imaging and Radiation Therapy Quality Assurance Act of 2006". Under the Act, the "Medical Imaging and Radiation Therapy Board of Examiners" is established. The Board shall establish licensure standards for a radiographer, radiation therapist, nuclear medicine technologist, dental radiographer, limited permit holder, and temporary license holder. These licensed individuals will be allowed to use radioactive substances or equipment for medical imaging and radiation therapy procedures on humans only for diagnostic or therapeutic purposes at the direction of a licensed practitioner. Currently, Missouri Medicaid does not individually enroll a radiographer, radiation therapist, nuclear medicine technologist, or a dental radiographer. Therefore, there would be no fiscal impact to the DMS.

6) Section 334.1050 requires any sonographer or vascular technologist, as a Medicaid provider, who provides the technical component of a diagnostic ultrasound service to be credentialed. Currently, Missouri Medicaid does not individually enroll a sonographer or a vascular technologist, also known as an ultrasound technologist or a sonologist. The diagnostic ultrasound service is covered when billed by a hospital or a clinic. The hospital or clinic is required to ensure that the service is provided by accredited individuals. Therefore, there would be no fiscal impact to the DMS.

Officials from the **Department of Health and Senior Services (DOH)** provide the following assumptions relating to this proposal:

Children's Vision Commission

Commission Expenses were included at 12 units (3 commission members X 4 meetings annually) at \$160 per unit. Total estimated cost of the commission is \$1,920 annually.

ASSUMPTION (continued)

This proposal will require DOH to add 1 FTE for an Office Support Assistant (OSA) to arrange training for school nurses and provide clerical support to the Children's Vision Commission. The OSA will do the data collection/entry and generate reports from the data until the web-based component can be developed by the Information Technology Services Division (ITSD). It is anticipated that the OSA will also provide technical assistance to the schools regarding electronic submission of data.

In addition, 0.75 FTE for a Research Analyst III is needed to review and analyze data provided on eye screening. Examples of potential work include: Review data and consult with screening staff; develop html screens and run application through tool kit; test application; modify screens to meet users needs, etc; review and analyze data provided on eye screening; convert the data for inclusion into the MICA application; perform all programming required to store/host and display the data on the MICA application; review and/or test application for accuracy and completeness once data is created and the data and application are loaded to the web site. The Research Analyst III will also provide staff support to the Children's Vision Commission.

The existing Consultant Community Health Nurse, State School Health Consultant and Manager of the School Health Services Program, will staff the "Children's Vision Commission." The state school nurse consultant and assistant, along with the district Consultant Community Health Nurses will make the eye screening training easily available on a regional basis and combine it with other sensory screening programs for 1-day workshops. This will make the trainings cost-effective and accomplish other things such as disseminating best practices information.

The School Health Services Program will work with the Children's Vision Commission and the Research Analyst III to develop the procedures for collecting and processing screening information from the school nurses, analyze the data and make data and reports available to the Children's Vision Commission and the public.

The mechanism for eye screening and local referral is already in place in school health programs. The school nurses will be trained to do the screening and make referrals to local resources. Vision screening is a standard of care school nurses should incorporate into their practices. Best practice says that school nurses can do the screening for vision deficits and make appropriate referrals.

Printing expenses were not included because the DOH believes the brochures can be developed and provided electronically. Any printing would be minimal and could be completed within the existing budget.

ASSUMPTION (continued)

Information Technology Service Division (ITSD) Costs

Since the long-range plan specified in this proposal has not been developed and the data elements not defined, in order to complete the plan and implement a web portal, additional funding must be secured. The following items have been identified as necessary to develop and support such a portal.

One Web Developer/Data Manager FTE (CIT Spec II) will provide web development, customer service, support and assistance, provide technical expertise in web site analysis, design and programming, and troubleshoot web hardware/software problems. This position is also responsible for determining the data needs for the project and for establishing, building, protecting and maintaining on-going data services support. They will also assist with the on-going reporting requirements and assist with enhancement implementations and maintenance releases

The ITSD will require one contracted consultant to for the first three years for the development effort of the project. The consultant will assume the responsibility of the following three roles by splitting up their time accordingly. These roles include:

- Design analyst - responsible for communicating and documenting the requirements of the project. This person serves as the primary requirements contact for the project and is responsible for change management and ensuring requirement compliance.
- Developer/coder - responsible for translating the requirements into the application design. This includes the technical specifications for the database and programming deliverables. This person participates in analysis, documents requirements, designs the prototypes, identifies interfaces to other program areas, document security and reporting requirements.
- Data support manager - responsible for determining the data needs for the project and establishing, building, protecting and maintaining the data for the project. This position will also work with the team to gain an understanding of the report requirements and assist with project implementations.

Additional costs for hardware and software include:

	Start Up	Ongoing costs
1 Storage Space - SAN	\$75,000	\$13,000
1 Application/Portal Server (lease)	\$3,500	\$3,500
1 Data Backup/Recovery upgrade	\$18,000	\$8,000
1 Infrastructure upgrade - (electrical wiring, HVAC, etc.)	\$5,000	

ASSUMPTION (continued)

Nursing Home Administrator Regulations

Currently there are 1,578 licensed nursing home administrators in Missouri. Approximately 899 of these individuals are working in skilled nursing facilities, intermediate care facilities and residential care facilities II and must remain active. There are an additional 66 licensed administrators who are working in residential care facilities I. That leaves 613 licensees who are not using the license and may choose the inactive status. We estimate that approximately 15% of the 613 licensees (or 92) must maintain an active license due to their position with a nursing home corporation or who work as a consultant. That reduces the total to 521. Of the 521, based on the history of non-renewals, approximately 160 licensees will choose to not renew the license for various reasons such as moving out of state, leaving the profession, etc, and most likely would not choose inactive status. That leaves 361 who are not using the license and may choose the inactive status. Of those remaining 361 licensees, we estimate that approximately half, or 180, will elect the inactive status to avoid continuing education and licensure costs. If 180 licensees elect inactive status, they must pay the \$50 renewal fee for the initial inactive license and will pay only \$25 each following year to renew the inactive license (for up to a maximum of 5 years). The amount of fees collected in FY 2007 would remain the same since the fee is the same for an active license or the initial inactive license (\$50). However, for FY 2008, the decrease (paying \$25 vs. \$50) will be approximately \$4,500 and for FY 2009, we estimate that approximately 90 licensees will elect the inactive status, resulting in a decrease of \$2,250 for that year.

Officials from **Cedar County Memorial Hospital** believe this proposal would require them to hire a licensed x-ray person to take x-rays in their rural health clinics. This would result in the hospital's clinics having to hire additional staff at approximately \$20 per hour to do simple chest and long bone x-rays for facilities/clinics that have a low volume. The increase in costs could result in a possible phase-out of services and care; thereby decreasing access to care for people living in rural areas. At the present time, the fiscal impact is unknown.

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

Sections 317.001 to 317.019 - Athletes

It is estimated there would be approximately 30 events per year and that the proposal would result in additional license and event fee revenue of \$31,250 for FY 08 and \$4,965 for FY 09. Licenses would be biennial. The DED-PR also estimates each event will provide an additional \$700, or \$21,000 annually in tax revenue to the Athletic Fund (Section 317.006.1(3)). The DED-PR assumes license and event fees and the additional tax revenue would not occur until FY 08.

ASSUMPTION (continued)

Each event would need four (4) inspectors (two existing state employees plus two per diem inspectors). The DED-PR estimates \$150 in expenses per state employee (includes meals and lodging) per event and \$100 for each per diem inspector. Mileage for state vehicles is estimated to be \$56 per event.

Sections 41.950, 383.130, and 620.010 - Attorneys

Currently the division and the boards are being billed on an hourly basis by the Attorney General's Office. As these services have been recently reduced, some boards have utilized the DED-PR's in-house counsel or have been able to reallocate existing equipment and expense (E&E) appropriations to fund outside counsel. It is assumed that General Revenue Appropriations will be transferred through a budget decision item to either personal service or E&E if increases are needed.

Sections 324.1150 to 324.1198 and 621.045 - Private Investigators

Based on an estimate from an internet search of Occupational Projections by the DED, Missouri Works, Labor Market Information, it is estimated there are approximately 525 individuals in the state of Missouri that will be required to be licensed. DED-PR estimates a 3% growth rate and assumes licensure begins in FY 08. License fees are estimated to be \$400 initially with renewal fees of \$300. Fee revenue to the Board of Private Investigator Examiner Fund is estimated to be \$210,000 in FY 08. Revenues for FY 09 are estimated to be \$6,400.

DED-PR assumes all fees collected and all expenses would be deposited into and paid out of the Board of Private Investigator Examiner Fund. DED-PR notes expenses occurring prior to an appropriation (FY 07) would be borrowed from another fund within Professional Registration and paid back in FY 10, pursuant to section 620.106, RSMo.

DED-PR assumes implementation of the proposal will require hiring an additional 1.25 FTE in FY 07, as follows: Principal Assistant (0.25 FTE at \$59,532) to serve as the senior executive officer of the agency, Licensure Technician II (0.5 FTE at \$26,292) to provide technical support, process applications for licensure and respond to any inquiries related to the licensure law or rules & regulations, and an Investigator II (0.5 FTE at \$39,288) to conduct investigations and inspections, serve notices, and gather information as required by the board. DED-PR assumes rental space will be needed for these additional FTE at an annual cost of approximately \$3,498.

DED-PR assumes the five (5) member board would meet four (4) times per year for two (2) days per meeting, in Jefferson City. DED-PR notes the Principal Assistant, one clerical staff and a representative from the division's legal counsel will also attend the meeting. 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 \$50 per diem for each day conducting board business as well as reimbursement for expenses for each day for which they are conducting board business.

ASSUMPTION (continued)

The DED-PR assumes 75 complaints would be received each year and would require, on average, five hours each to complete. DED-PR estimates approximately 30% of these complaints (25) will require field investigations, each incurring overnight expenses. Travel expenses for the investigation are estimated at \$4,325 annually. DED-PR assumes complaints and investigations would not start until FY 08. FY 08 costs reflect the estimated increase in investigations resulting from the initial licensure of private investigators.

The DED-PR further assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO) and the Administrative Hearing Commission (AHC). These services include assistance with board meetings, AGO opinions, promulgation of rules and regulations, interpretation of legislation and litigation costs. The DED-PR assumes a minimal cost will be incurred for services provided to the board by the AHC. The DED-PR estimates AGO and AHC costs at \$4,401 annually.

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. DED-PR estimates printing and postage costs at \$6.25 per licensee in the first year, for a total cost of \$3,281. Subsequent years' printing and postage costs are expected to be \$3,163 annually, based on a similarly-sized board.

The DED-PR assumes licensed investigators and private detectives will represent 0.50% 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 beginning in FY 08 and \$4,177 for FY 09.

Sections 334.1000 to 334.1050 - Medical Imaging and Radiation Therapy

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 5,465 individuals in the state of Missouri that will be required to be licensed. DED-PR assumes a fee of \$160 will be paid for all categories of licensure with biennial renewal and a renewal fee of \$150. 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 \$874,400 in FY 08 and \$26,240 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 prior to an appropriation (FY 08) would be borrowed from another fund within Professional Registration and paid back in FY 10.

ASSUMPTION (continued)

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 \$2,756 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) and the Administrative Hearing Commission (AHC). 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 estimates AHC costs of \$3,420 (based on a board of similar size) beginning in FY 08.

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 \$34,156. 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)

Sections 338.035, 338.147, and 338.220 - Pharmacists

The DED-PR states the board is already licensing these pharmacies. This proposal allows the board to properly classify them. The multi-year permit for inters will not have a fiscal impact as any difference in fees will be offset by dropouts and reduced handling by staff.

Sections 335.066 and 610.120 - Nursing Complaints

The DED-PR assumes implementation of these sections will require utilizing an additional 2.0 FTE Investigator II in FY 08 (\$39,288 annual salary each) to assist the board in conducting investigations as a result of the increase in complaints received and 2.0 FTE Office Support Assistant - Keyboarding in FY 08 (\$22,272 annual salary each) to provide administrative support in record retrieval and expungement. The DED-PR assumes rental space will be needed for these additional FTE at an annual cost of approximately \$11,192. The DED-PR assumes equipment costs, including vehicles, for the additional FTE will be \$50,580 in FY 08 and \$2,970 for FY 09.

The DED-PR assumes that the board will have to conduct additional committee reference calls to review investigative reports. Each member of the board (9) receives per diem of \$50 for conducting board business. It is assumed there would be at least one (1) additional call each year costing \$450 (9 members X \$50).

The Board of Nursing estimates that there will be approximately 326 additional complaints per year. The Board currently receives 900 complaints per year and 36% of nurses currently licensed are not working at a facility that is a mandated reporter. It is assumed that the additional 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 25% of the investigations (24) would be forwarded to the AGO for further action. Assuming \$5,400 cost per case, DED-PR estimates \$129,600 annually in legal costs to the AGO beginning in FY 08.

The costs provided above do not include any funds for expunging records as the DED-PR can't determine the demand. The DED-PR predicts the demand will increase.

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

ASSUMPTION (continued)

Oversight has, for fiscal note purposes only, changed the starting salary for the Administrative Office Support Assistant and Licensure Technician II (Private Investigator Examiners), Administrative Office Support Assistant and Licensure Technician II (Medical Imaging and Radiation Therapy), and two (2) Investigator II and two (2) Office Support Assistant - Keyboarding (Nursing) 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.

Officials from the **Office of Attorney General (AGO)** assume that, if all professional boards opt to retain private legal counsel pursuant to the authorizing language of Section 620.010.14(9), then no professional board fees will be remitted to General Revenue. In FY 05, the boards remitted \$606,801 to General Revenue based on the work that attorneys and support staff in the AGO provided. If all boards choose to retain private legal counsel, the AGO assumes that the impact on General Revenue will be \$606,801, assuming the same level of work would be performed as that of FY 05.

The AGO states, with regard to the provisions relating to private investigators (Section 324.1150 to 324.1198), the proposal creates an additional board and an additional category of licenses within the Division of Professional Registration. The AGO assumes it would need 0.5 FTE Assistant Attorney General II (AAG) to assist the Board in the rule-making process, licensing and investigative matters, as well as any litigation that might result from the investigations the board undertakes as authorized by the proposal.

The "Medical Imaging and Radiation Therapy Quality Assurance Act of 2006" (Sections 334.1000 to 334.1024) 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 FTE AAG II to assist the Board in the rule-making process, licensing, and investigating matters.

Therefore, the AGO assumes it would need 1.0 FTE AAG II to perform the duties associated with this proposal. The AGO estimates FY 07 costs of \$63,750; FY 08 costs of \$68,809; and FY 09 costs of \$70,588.

Oversight notes the DED-PR boards may employ internal legal counsel, hire independent legal counsel, or continue to retain the AGO for legal services. As a result, **Oversight** is ranging the potential decrease in General Revenue Funds from \$0 to a loss of \$606,801 annually. Depending on which method(s) the DED-PR boards use, the PR Fees Fund may have unknown savings on legal counsel expenses.

Officials from the **Office of the Governor** and **Office of State Public Defender** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
GENERAL REVENUE			
<u>Costs - Office of Attorney General</u>			
Personal service costs (1.0 FTE) (Private Investigators and Medical Imaging and Radiation Therapy)	(\$32,031)	(\$39,398)	(\$40,383)
Fringe benefits	(\$14,113)	(\$17,358)	(\$17,793)
Equipment and supplies	(\$17,606)	(\$12,052)	(\$12,412)
Total <u>Costs</u> - Office of Attorney General	(\$63,750)	(\$68,808)	(\$70,588)
<u>Costs - Department of Social Services</u>			
Increase in program payments (Section 167.195)	\$0	(Unknown exceeding \$40,000)	(Unknown exceeding \$40,000)
<u>Costs - Department of Health and Senior Services</u>			
Personal service costs (2.75 FTE) (Section 167.195)	(\$80,033)	(\$99,864)	(\$102,361)
Fringe benefits	(\$35,263)	(\$44,000)	(\$45,100)
Equipment and expense	(\$145,676)	(\$50,043)	(\$51,544)
Consultant fees	(\$119,600)	(\$147,826)	(\$152,260)
Total <u>Costs</u> - Department of Health and Senior Services	(\$380,572)	(\$341,733)	(\$351,265)
<u>Loss-Department of Health and Senior Services</u>			
Reduction in fees (Sections 344.020 - 344.108)	\$0	(\$4,500)	(\$2,250)
<u>Loss - Office of Attorney General</u>			
Reduction in fees from Division of Professional Registration Boards	<u>\$0 to (\$505,668)</u>	<u>\$0 to (\$606,801)</u>	<u>\$0 to (\$606,801)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$444,322 to \$949,990)</u>	<u>(\$455,041 to exceeding \$1,061,842)</u>	<u>(\$464,103 to exceeding \$1,070,904)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
PR FEES FUND			
<u>Savings - Various PR Board Funds</u>			
Reduction in fees paid to the AGO for legal counsel and board work	Unknown	Unknown	Unknown
<u>Transfer-Out - DED-PR</u>			
Transfer to Board of Private Investigator Examiner Fund	(\$72,257)	\$0	\$0
<u>Transfer-Out - DED-PR</u>			
Transfer to Medical Imaging and Radiation Therapy Licensing Fund	<u>(\$228,907)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON PR FEES FUND	<u>(Unknown less than \$301,164)</u>	<u>\$0</u>	<u>\$0</u>
ATHLETIC FUND			
<u>Income - Department of Economic Development</u>			
License fee revenue	\$0	\$31,250	\$4,695
Additional tax revenue	<u>\$0</u>	<u>\$21,000</u>	<u>\$21,000</u>
Total <u>Income</u> - Department of Economic Development	<u>\$0</u>	<u>\$52,250</u>	<u>\$25,695</u>
<u>Costs - Department of Economic Development</u>			
Per diem and expenses	<u>\$0</u>	<u>(\$16,860)</u>	<u>(\$17,045)</u>
ESTIMATED NET EFFECT ON ATHLETIC FUND	<u>\$0</u>	<u>\$35,390</u>	<u>\$8,650</u>

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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**BOARD OF PRIVATE
 INVESTIGATOR EXAMINER FUND**

Transfer-In - DED-PR

Transfer from PR Fees Fund	\$72,257	\$0	\$0
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Income - DED-PR

Licensure fees/renewals	\$0	\$210,000	\$6,400
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Costs - DED-PR

Personal service (1.25 FTE)	(\$38,042)	(\$46,829)	(\$47,950)
Fringe benefits	(\$15,880)	(\$19,752)	(\$20,246)
Equipment and expense	(\$13,394)	(\$22,028)	(\$18,100)
AGO and other allocated costs	(\$4,941)	(\$20,475)	(\$8,587)

Total <u>Costs</u> - DED-PR	<u>(\$72,257)</u>	<u>(\$109,084)</u>	<u>(\$94,883)</u>
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**ESTIMATED NET EFFECT ON
 BOARD OF PRIVATE
 INVESTIGATOR EXAMINER FUND**

<u>\$0</u>	<u>\$100,916</u>	<u>(\$88,483)</u>
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**MEDICAL IMAGING AND
 RADIATION THERAPY
 LICENSURE FUND**

Transfer-In - DED-PR

Transfer from PR Fees Fund	\$228,907	\$0	\$0
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Income - DED-PR

Licensure Fees/Renewals	\$0	\$874,400	\$26,240
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Costs - DED-PR

Personal Service (3.0 FTE)	(\$90,569)	(\$112,207)	(\$115,012)
Fringe Benefits	(\$39,905)	(\$49,438)	(\$50,674)
Expense and Equipment	(\$77,617)	(\$56,904)	(\$58,611)
AGO and other allocated costs	(\$20,816)	(\$39,760)	(\$82,490)

Total <u>Costs</u> - DED-PR	<u>(\$228,907)</u>	<u>(\$258,309)</u>	<u>(\$306,787)</u>
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**ESTIMATED NET EFFECT ON
 MEDICAL IMAGING AND
 RADIATION THERAPY
 LICENSURE FUND**

<u>\$0</u>	<u>\$616,091</u>	<u>(\$280,547)</u>
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<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
NURSING FUND			
<u>Costs - Department of Economic Development</u>			
Personal service (4 FTE)	\$0	(\$108,017)	(\$110,707)
Fringe benefits	\$0	(\$47,394)	(\$48,579)
Equipment and expense	\$0	(\$62,108)	(\$14,844)
AGO costs	<u>\$0</u>	<u>(\$129,600)</u>	<u>(\$129,600)</u>
Total <u>Costs</u> - Department of Economic Development	<u>\$0</u>	<u>(\$347,119)</u>	<u>(\$303,730)</u>
ESTIMATED NET EFFECT ON NURSING FUND	<u>\$0</u>	<u>(\$347,119)</u>	<u>(\$303,730)</u>
OTHER PR FUNDS			
<u>Savings - Other PR Funds</u>			
Reduction in rent and overhead costs allocated to other licensing boards (Private Investigators)	\$2,915	\$19,562	\$7,779
Reduction in rent and overhead costs allocated to other licensing boards (Medical Imaging and Radiation Therapy)	\$0	\$24,710	\$67,699
Reduction in rent allocated to other licensing boards (Nursing Board)	<u>\$0</u>	<u>\$11,528</u>	<u>\$11,874</u>
Total <u>Savings</u> - Other PR Funds	<u>\$2,915</u>	<u>\$55,800</u>	<u>\$87,352</u>
ESTIMATED NET EFFECT ON OTHER PR FUNDS	<u>\$2,915</u>	<u>\$55,800</u>	<u>\$87,352</u>

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
FEDERAL FUNDS			
<u>Income - Department of Social Services</u>			
Increase in program reimbursements (Section 167.195)	\$0	Unknown exceeding \$60,000	Unknown exceeding \$60,000
<u>Costs - Department of Social Services</u>			
Increase in program payments (Section 167.195)	\$0	(Unknown exceeding \$60,000)	(Unknown exceeding \$60,000)
ESTIMATED NET EFFECT ON FEDERAL FUNDS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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LOCAL GOVERNMENTS - SCHOOL DISTRICTS

Costs - School Districts

Vision screening associated costs	<u>(Unknown expected to exceed \$83,333)</u>	<u>(Unknown expected to exceed \$100,000)</u>	<u>(Unknown expected to exceed \$100,000)</u>
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**ESTIMATED NET EFFECT ON
LOCAL GOVERNMENTS - SCHOOL DISTRICTS**

<u>(Unknown expected to exceed \$83,333)</u>	<u>(Unknown expected to exceed \$100,000)</u>	<u>(Unknown expected to exceed \$100,000)</u>
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LOCAL GOVERNMENTS - HOSPITALS

Costs - Hospitals

Increase in personal service costs	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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**ESTIMATED NET EFFECT ON
LOCAL GOVERNMENTS - HOSPITALS**

<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
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FISCAL IMPACT - Small Business

This proposal would directly impact small businesses that pay for licensing fees, small businesses sponsoring certain athletic events, and have an administrative impact on small business dental offices.

DESCRIPTION

This proposal changes the laws regarding the licensing of certain professions within the Division of Professional Registration in the Department of Economic Development and establishes requirements for eye screening examinations for children enrolled in public schools.

DEAF INTERPRETERS

Deaf interpreters are added to the list of professions which are excused from certain provisions of their licensing laws while on active military duty.

DESCRIPTION (continued)

EYE SCREENING EXAMS

Beginning July 1, 2007, all public schools are required to conduct eye screening exams for each student prior to the completion of the first grade. When a student fails the eye screening, the school district must notify the parent of the results of the screening and require the student to receive a complete eye exam from an optometrist or ophthalmologist. The proposal also establishes the Children's Vision Commission, which will sunset on December 31, 2010. The commission will develop standardized screening tests, reporting forms, appropriate training programs, design a brochure outlining the benefits of ongoing eye care for children, and conduct a three-year pilot project tracking the results of eye screenings. The commission must submit a report to the General Assembly prior to October 1, 2010, detailing the results and findings of the study.

A student will be excused from the eye screening examination if his or her parent or legal guardian objects to the examination and submits that in writing to the appropriate school administrator.

ATHLETIC CONTESTS (MIXED MARTIAL ARTS)

The proposal requires contestants participating in boxing, kickboxing, wrestling, full-contact karate, or mixed martial arts to sign a bout contract with the event promoter before each contest which specifies their weight, how much they are being paid, and the date and location of the event.

The proposal also defines "mixed martial arts."

MASSAGE THERAPY

The Board of Therapeutic Massage is authorized to promulgate rules establishing requirements for granting licenses for applicants from other states who have completed massage therapy programs which are less than 500 hours. Massage therapy businesses are prohibited from employing an unlicensed person for the purpose of performing massage therapy services. The board is required to send copies of all board survey inspections to the business within 30 days of the inspection. The board is allowed to waive or extend the time requirements for completion of continuing education requirements under certain circumstances as determined by the board. Nonresident licensed massage therapists will be exempt from licensure if they are providing services or instruction in conjunction with disaster relief or at special events.

The board is also authorized to contract for legal services.

DESCRIPTION (continued)

PRIVATE INVESTIGATORS

The Board of Private Investigator Examiners is established within the Division of Professional Registration. No person can provide private investigative services without first being licensed. The proposal specifies the membership and duties of the board; exemptions from licensure; requirements for application and licensure; proof of liability insurance; training and written examinations; fees; background checks on applicants; appeal process for the denial, suspension, or revocation of licenses; types and terms of licenses; and the procedure for applicants seeking reciprocity. Licensees are allowed to disclose to the board, any law enforcement agency, a prosecutor, or the licensee's own representative any information regarding a criminal offense or to instruct their clients to do so if they are victims of a criminal act. Licensees are prohibited from making false reports, presenting themselves as a state or federal officer, or manufacturing false evidence. Certain identifying evidence must be filed with the board by licensees. Private investigators or investigator agencies are required to maintain complete records of their business transactions. Records may be confidentially examined by the board under certain circumstances.

DENTAL RECORDS

Dentists are required to maintain complete and adequate patient records. Records must be retained for at least seven years from the date of the last professional service. Any addition or change to a patient's record made more than 48 hours after the final entry will be entered as an addendum and will specify the time; date; name of person making the addition, correction, or change; and the reason for the change.

Laboratory work orders are also required to be maintained for seven years.

REVOCATION OF LICENSES

The State Board of Registration for the Healing Arts is authorized to revoke the professional license of any person licensed under Chapter 334, RSMo, who has been found guilty of a felony. Currently, it only applies to physicians.

PHYSICAL THERAPY ASSISTANTS

The proposal makes a technical change in the laws regarding reciprocity for physical therapy assistants.

MEDICAL IMAGING

The Medical Imaging and Radiation Therapy Quality Assurance Act of 2006 is established. The proposal establishes the Medical Imaging and Radiation Therapy Board of Examiners within the Division of Professional Registration. All persons administering medical imaging and radiation

DESCRIPTION (continued)

therapy procedures are required to be licensed by the board. Physicians, veterinarians, dentists, chiropractors, podiatrists, registered nurses, and certain qualified persons currently practicing medical imaging and radiation therapy are exempted from licensure. The proposal establishes certain criteria to be met by applicants for licensure as radiographers, radiation therapists, nuclear medicine technologists, and dental radiographers. The board is authorized to certify programs for medical imaging and radiation therapy in medical facilities, dental facilities, educational institutions, or other public or private institutions. The board is further authorized to adopt rules; give examinations; waive examination requirements; establish continuing education; issue temporary permits; renew, revoke, and suspend licenses; investigate charges and allegations brought against licensees; issue subpoenas; hold hearings; render judgments; and hear appeals.

Beginning August 28, 2009, persons providing the technical component of diagnostic ultrasound services (sonography or vascular technology) are required to be credentialed or practice in an accredited laboratory.

NURSES

The proposal authorizes the State Board of Nursing to file a complaint with the Administrative Hearing Commission requesting an expedited hearing for a restriction or suspension on a license for certain activities which the board deems to be a danger to the public health and safety. Within 15 days of the receipt of the complaint, the commission will conduct a preliminary hearing to determine whether the activities of the licensee are a danger to the public. The commission will issue a decision immediately after the hearing either granting the board the authority to suspend or restrict a license or dismissing the action.

A hearing before the commission will be granted if the licensee makes a formal request within 30 days of the preliminary hearing. If no request is made, the commission's decision becomes final. If the licensee is found to be in violation of any imposed disciplinary action, the matter will be considered a default case; and the board is authorized to take appropriate action.

The proposal also requires a board of trustees or similarly empowered official of any home health agency, nursing facility, or entity which employs or contracts with licensed health care professionals to take disciplinary action if it finds that a licensee is in violation of the licensing laws for his or her profession. When disciplinary action is taken against a licensee, the entity taking action will report it to the proper health care professional licensing authority.

The proposal adds the Division of Professional Registration within the Department of Economic Development to the list of agencies which are authorized to review criminal conviction records for screening purposes.

DESCRIPTION (continued)

PROFESSIONAL COUNSELORS

Professional counselors licensed in other states are allowed to apply for licensure in Missouri without examination if the applicant has had no disciplinary action taken against his or her license in the past five years or has met all eligibility criteria established by the American Association of State Counseling Boards or its successor organization.

SOCIAL WORKERS

Clinical social workers licensed in other states are allowed to obtain a Missouri license if they have had no disciplinary action taken against their license in the preceding five years and their current state license has substantially the same licensing requirements as the state of Missouri.

BOARD OF PHARMACY

The one-year time limit for an intern pharmacist license is removed and language is repealed authorizing the State Board of Pharmacy to promulgate rules restricting the practice of intern pharmacists. The board is also authorized to issue cease and desist orders to persons engaged in the unauthorized practice of pharmacy and enforce orders by applying to a court of competent jurisdiction. The board is further authorized to waive licensure if a state of emergency is declared when the safety and welfare of the inhabitants of the state are in jeopardy.

The proposal also creates a veterinary class for pharmacy permits or licenses.

REAL ESTATE

Internet advertising communications of real estate will be allowed if the advertising is incidental to the licensee's operation.

Any notice of appeal for the revocation of a license is required to be sent to the Administrative Hearing Commission by certified mail.

VETERINARIANS

The Missouri Veterinary Medical Board is authorized to promulgate rules determining when applicants are required to submit an application for the licensing examination. Currently, applicants are required to make application 60 days prior to taking the examination.

NURSING HOME ADMINISTRATORS

Nursing home administrators are required to pay licensing fees to the Department of Health and Senior Services. Applicants for licensure who have failed the examination administered by the

DESCRIPTION (continued)

Missouri Board of Nursing Home Administrators three times are prohibited from being licensed unless they have successfully completed the board-prescribed course of instruction and passed the examination. Temporary emergency licenses may be issued to an applicant whose licensing examination results have not been received by the board, and the board may issue probationary licenses. The board is authorized to file complaints with the Administrative Hearing Commission for violations of any provisions of Chapter 198, RSMo, or rules promulgated by the board. Members of the board must be citizens of the United States and reside in Missouri for at least one year prior to being appointed.

The proposal authorizes the board to establish an inactive license.

HEALTH CARE PROFESSIONAL PEER REVIEW

The proposal authorizes licensed ambulance services, emergency medical response agencies, and not-for-profit organizations which contract for ambulance services to establish peer review committees.

ADMINISTRATIVE HEARING COMMISSION

The Administrative Hearing Commission is authorized to publish notifications of licensing cases to be heard before the commission if notification cannot be accomplished in person or by certified mail.

DISQUALIFICATION LIST

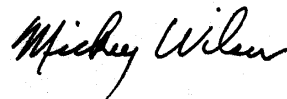
The Department of Health and Senior Services is required to provide the employee disqualification list to any school of nursing, school of medicine, or school of any other health profession in order to determine whether students participating in patient care services are on the disqualification list. The list identifies individuals who have been determined by the department to have recklessly, knowingly, or purposely abused or neglected an in-home services or home health patient while employed by an in-home services provider or home health agency.

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 Administration -
 Administrative Hearing Commission
Office of State Courts Administrator
Department of Economic Development -
 Division of Professional Registration
Department of Elementary and Secondary Education
Department of Mental Health
Department of Corrections
Department of Health and Senior Services
Department of Revenue
Department of Social Services
Department of Public Safety -
 Director's Office
 Missouri State Highway Patrol
Missouri Consolidated Health Care Plan
Department of Insurance
Office of Prosecution Services
Missouri Senate
Office of Secretary of State
Office of State Treasurer
Putnam County Memorial Hospital

NOT RESPONDING: Office of the Governor and Office of State Public Defender



Mickey Wilson, CPA
Director
March 27, 2006