

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5437-01
Bill No.: HB 1471
Subject: Department of Corrections; Medical procedures and personnel
Type: Original
Date: April 3, 2014

Bill Summary: This proposal requires all inmates receiving an on-site non-emergency medical examination or treatment from correctional center personnel to be charged fifty cents per visit.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services** assume no fiscal impact from this proposal.

Officials from the **Department of Corrections (DOC)** state it appears any funds which may be generated by passage of this bill may not be sufficient to be cost effective for implementation of it even if those funds could be utilized by DOC. Many funds of this sort must be paid into General Revenue. Otherwise a special fund must be authorized, implemented and monitored and additional staff (some at each institution) may potentially be required to perform these duties. Inmates do not have cash money so any monetary process must be generated via their caseworkers using the institutional "green check" system. Fund access would be necessary throughout the day to check accounts, make transactions, etc. This could require enhanced computer programming to further track inmate accounts (other than those only in the institutional canteen "stores" at present) as well as caseworker time away from their current duties.

In reviewing the legislation, DOC medical administration is unsure what treatments would actually be covered by the bill. As an example of the estimated impact of passage of the bill, if 31,000 inmates each had, on average, 5 visits per year with a physician, the funds collected would total \$75,000 and that doesn't take into account those who wouldn't be able to pay. If paying for medical stipends impacted offenders' ability to purchase hygiene and legal supplies, the DOC would be required to purchase these items for them, negating the intent of this bill. By law, inmates cannot be refused necessary medical care.

Within the last year, offenders have also had additional requirements placed upon them that require them to pay out of their inmate account. These include: 1) Restitution payments from incarcerated offenders, 2) Canteen sales tax, and 3) Sheriff's jail costs.

The Department has serious concerns about the offender's ability to pay due to the impact of the three items above. If these items affect their ability to pay a medical co-pay, it may obstruct offender's access to health care.

In summary, fiscal impact is unknown for the DOC per each fiscal year.

Oversight assumes DOC would be able to absorb any additional expenses incurred as a result of this proposal. Oversight further assumes the state would not receive additional proceeds as a result of the 50 cents per medical visit charge. Oversight assumes the 50 cents charge would be

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ASSUMPTION (continued)

handled entirely within the inmates' accounts within the correctional institution's system. For example, if the inmate spent 50 cents on a medical visit, this would reduce the amount available to be spent by the inmate in the institutional canteens. Therefore, Oversight will not reflect a fiscal impact to the state from this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<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.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

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 Corrections
Department of Health and Senior Services

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

Mickey Wilson, CPA
Director
April 3, 2014

Ross Strobe
Assistant Director
April 3, 2014