

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0474-01
Bill No.: HB 113
Subject: Health Care; Hospitals; Children and Minors
Type: Original
Date: January 15, 2015

Bill Summary: This proposal establishes Simon's Law which changes the laws regarding life-sustaining or non-beneficial treatment policies of health care facilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
University Funds	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)	(Unknown, greater than \$100,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2016	FY 2017	FY 2018
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **University of Missouri Health Care System (UM)** state they have reviewed the proposed legislation and determined that there is an unquantifiable potential negative fiscal impact to UM in excess of \$100,000 annually. The potential impact is uncertain due to the nature of the proposed legislation and the impact on patients that may have no source for payment of these services.

Oversight notes the provisions of the proposal do not require a health care facility, nursing home, or physician to have a written policy relating to life-sustaining or non-beneficial treatment for patients (minor or adult), residents, or wards. However, paragraph 4 provides “No facility shall withhold life-sustaining procedures, food, medication, or nutrition, nor place any restrictions on life-sustaining procedures...for any minor patient, resident or ward without the written permission of at least one parent or legal guardian of the minor patient or ward.”

Oversight assumes if one incident involving a minor patient occurred in a fiscal year where a parent or legal guardian for the minor was not available, insurance denied payment for a life-sustaining procedure, or the hospital could not get the signature of one parent/guardian to withhold life-sustaining procedures or medication, that costs would exceed \$100,000. Therefore, for fiscal note purposes, Oversight will present the fiscal impact of Unknown, greater than \$100,000 annually as an impact to University Funds.

Officials from the **Department of Health and Senior Services**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Social Services**, **MO HealthNet Division**, the **Division of Legal Services**, **Missouri Medicaid Audit Compliance**, and the **Children’s Division**, and the **Office of State Courts Administrator** each assume the proposal would not fiscally impact their respective agencies.

Officials from the following hospitals: **Barton County Memorial Hospital**, **Bates County Memorial Hospital**, **Cedar County Memorial Hospital**, **Cooper County Hospital**, **Excelsior Springs Medical Center**, **Putnam County Memorial Hospital** and **Washington County Memorial Hospital** did not respond to **Oversight’s** request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2016 (10 Mo.)	FY 2017	FY 2018
UNIVERSITY FUNDS			
<u>Costs - University Hospitals</u>			
Life-sustaining/non-beneficial treatment to minors	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>
TOTAL ESTIMATED FISCAL IMPACT ON UNIVERSITY FUNDS	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2016 (10 Mo.)	 FY 2017	 FY 2018
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could have a negative fiscal impact on small business health care facilities, nursing homes or other health care facilities that may have to provided life sustaining or nonbeneficial treatment to minors.

FISCAL DESCRIPTION

This bill establishes Simon's Law that changes the laws regarding life-sustaining treatment policies of health care facilities. A health care facility, nursing home, or physician must disclose in writing any policies relating to a patient or resident or the services that a patient or resident may receive involving life sustaining or nonbeneficial treatment within the health care facility or agency upon the request of a patient or resident or a prospective patient or resident.

Upon admission or upon request, if the patient or resident or prospective patient or resident is a minor child or minor ward, the health care facility, nursing home, or physician in charge must provide the policies in writing to at least one parent or legal guardian of the patient or resident or prospective patient or resident.

FISCAL DESCRIPTION (continued)

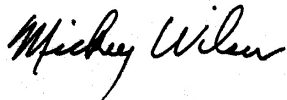
The bill prohibits a health care facility, nursing home, physician, nurse, or medical staff from withholding life-sustaining procedures, food, medication, or nutrition, or placing any restrictions on life-sustaining procedures including, but not limited to, food, medication, or nutrition for any minor patient, resident, or ward without the written permission of at least one parent or legal guardian of the minor patient or ward. The institution of a do-not-resuscitate order or similar physician's order, either orally or in writing, is prohibited without the written permission of at least one parent or legal guardian of the minor patient or resident or prospective minor patient or resident.

These provisions must not require a health care facility, nursing home, or physician to have a written policy relating to or involving life-sustaining or nonbeneficial treatment for minor or adult patients, residents, or wards.

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 Health and Senior Services
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Social Services
Office of State Courts Administrator
University of Missouri



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Director
January 15, 2015

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January 15, 2015