

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4817H.011
Bill No.: HB 2165
Subject: Medical Procedures and Personnel; Department of Health and Senior Services;
Licenses - Miscellaneous
Type: Original
Date: January 15, 2024

Bill Summary: This proposal modifies provisions relating to birthing centers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General	(\$107,698)	(\$127,847)	(\$130,104)
Total Estimated Net Effect on General Revenue	(\$107,698)	(\$127,847)	(\$130,104)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>Other State Funds</u>	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§§ 197.200 and 197.215 - Provisions relating to birthing centers

Officials from the **Department of Health and Senior Services (DHSS)** state § 197.200(3) of the proposed legislation adds the following definition for birthing center: “Any public or private establishment that is operated primarily for the purpose of performing childbirths and that does not provide services or other accommodations for patients to stay more than twenty-three hours within the establishment.”

Section 197.215.1(2) of the proposed legislation exempts birthing centers from meeting the Ambulatory Surgical Center specifications outlined in sections 197.215.1(3)-(4), 197.215.2, 197.215.3, and 197.215.4.

The removal of a requirement for a transfer agreement outlined in § 197.215.4 would remove an industry-identified barrier to seeking licensure as a birthing center. This would likely increase the number of birthing centers in Missouri requiring inspection. The proposed legislation would also require rule revision and maintenance.

Although the total number of new potential birthing centers that would seek licensure is unknown, it is estimated that the Department of Health and Senior Services (DHSS) will need one full-time Registered Nurse (\$75,000) to carry out the additional workload created as a result of the proposed legislation. This position will be a telecommuter.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the DHSS.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local public health agencies and hospitals were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
GENERAL REVENUE			
<u>Costs – DHSS (§§ 197.200 and 197.215) p. 3</u>			
Personnel Service	(\$62,500)	(\$76,500)	(\$78,030)
Fringe Benefits	(\$36,741)	(\$44,670)	(\$45,264)
Expense & Equipment	(\$8,457)	(\$6,677)	(\$6,810)
<u>Total Costs - DHSS</u>	<u>(\$107,698)</u>	<u>(\$127,847)</u>	<u>(\$130,104)</u>
FTE Change	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$107,698)</u>	<u>(\$127,847)</u>	<u>(\$130,104)</u>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

The number of small business birthing centers could increase because of the removal of an industry-identified barrier to licensure.

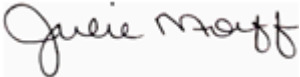
FISCAL DESCRIPTION

This bill adds a definition of "birthing center" and modifies the definition of "ambulatory surgical center" to include birthing centers for the purposes of Section 197.200, RSMo. However, the bill exempts birthing centers from the requirement that health care providers performing surgical procedures in any ambulatory surgical center also have privileges to perform surgical procedures at a licensed hospital within the community. (§§ 197.200 and 197.215)


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
Newton County Health Department



Julie Morff
Director
January 15, 2024



Ross Strobe
Assistant Director
January 15, 2024