

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5826H.02C  
 Bill No.: HCS for HB Nos. 2824 & 1723  
 Subject: Health Care; Drugs and Controlled Substances; Department of Commerce and Insurance; Insurance - Health; Mental Health; Nursing Homes and Long-Term Care Facilities; Emergencies; Health Care Professionals  
 Type: Original  
 Date: April 10, 2024

Bill Summary: This proposal modifies provisions relating to health care.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
General Revenue	(\$79,721)	(\$93,328)	(\$94,894)
<b>Total Estimated Net Effect on General Revenue</b>	<b>(\$79,721)</b>	<b>(\$93,328)</b>	<b>(\$94,894)</b>

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

Numbers within parentheses: () indicate costs or losses.

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

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

- 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.

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

## FISCAL ANALYSIS

### ASSUMPTION

#### §§190.053, 190.076, 190.109, 190.112 and 190.166 – Emergency medical services

Officials from the **Department of Health and Senior Services (DHSS)** state §190.053.2 of the proposed legislation requires ambulance district board members to complete three hours of continuing education training for each term of office. Training shall be offered by a statewide association or program approved by the State Advisory Council on Emergency Medical Services. This will require the DHSS, Division of Regulation and Licensure's (DRL) Bureau of Emergency Medical Services (BEMS) to verify ambulance district board member training records through the licensure application review process and during inspections.

Section 190.053.3 immediately disqualifies from office any ambulance district board member who does not complete the required training under §190.053.2. Should a board member be found non-compliant with this provision, BEMS will be required to provide notice to the district board and other agencies in authority regarding the removal of the ineligible member.

Section 190.076 requires each ambulance district to be audited by an outside Certified Public Accountant (CPA) firm once per year. BEMS will verify audit compliance through the licensure application review process and during inspections.

Sections 190.109.6(12) and 190.109.6(13) require BEMS to promulgate rules related to the requirements for a ground ambulance service license including “participation with regional emergency medical services advisory committees” and “ambulance service administrator qualifications.”

Section 190.112 requires licensed ambulance services to identify an individual to DHSS who will serve as the ambulance service administrator responsible for ambulance service operations and staffing. Additionally, the identified administrator is required to complete 40 initial training hours and two hours of continuing education annually related to the operations of an ambulance service. Training shall be offered by a statewide association or program approved by the State Advisory Council on Emergency Medical Services. Individuals serving as an ambulance service administrator as of August 28, 2024, will have until January 1, 2026 to meet the training requirements. This will require BEMS to verify training records through the licensure application review process for the individual administrator and the ambulance service, as well as during inspections of the ambulance service.

Section 190.166.1 allows the DHSS to refuse to issue, deny renewal of, or suspend an ambulance service license issued under §190.109, or take other corrective actions based on the following:

- (1) financial insolvency;
  - (2) inadequate personnel to provide basic emergency operation at a level in which one basic life support ambulance is available twenty-four hours daily;
  - (3) requires an inordinate amount of mutual aid from neighboring services (more than ten percent of calls in any given month);
  - (4) principal manager, board member, or executive determined to be criminally liable for actions related to the license or service provided;
  - (5) principal manager, board member, or executive determined by Centers for Medicare and Medicaid Services (CMS) to be ineligible for participation in Medicare;
  - (6) principal manager, board member, or executive determined by MO HealthNet Division to be ineligible for participation in the MO HealthNet program;
  - (7) administrator failed to meet the required qualifications or complete training requirements;
- or
- (8) board members failed to complete training requirements.

As a result, BEMS will be required to investigate ambulance service agency financial records, operations data, number of runs and responses, ambulance vehicle inventory, training records, and determine percentage of calls covered by other agencies giving mutual aid. A report will be prepared to determine what action the Department should take and may be used to make a case before the Administrative Hearings Commission (AHC).

Section 190.166.2 requires any ambulance service determined to be financially insolvent or its operations insufficient to submit a corrective action plan within fifteen days. Said plan must be implemented within thirty days. Corrective action plan collection and tracking will be completed by BEMS as part of the investigation required under Section 190.166.1.

Section 190.166.3 of the proposed legislation requires the DHSS to provide notice of any determination of insolvency or insufficiency of operations of a license holder to other license holders operating in the license holder's vicinity; members of the general assembly who represent the license holder's service area; the governing officials of any county or municipal entity in the license holder's service area; the appropriate regional emergency medical services advisory committee; and the state advisory council on emergency medical services." The BEMS will mail or email a notice to all entities required by this Section.

Section 190.166.4 of the proposed legislation requires the Department to, upon taking disciplinary action, immediately engage with other license holders in the affected area and allows the provisional or suspended licensee to enter into an agreement with other license holders to provide services to the affected area. BEMS will track all agreements received due to any disciplinary action.

Should there be a conflict regarding which neighboring agency shall provide coverage during the disciplinary proceedings, §190.166.4(2) allows the Department to request the AHC to appoint a licensed ambulance service to operate that service area on a short-term basis during the disciplinary process. BEMS will track this information to ensure ambulance services are in

compliance with any AHC order. Violations of an order will be prepared, and notifications sent to the ambulance districts and the AHC.

Should the proposed legislation become law, BEMS will offer an educational presentation to ambulance districts that will review the law, the new requirements, and what BEMS will be reviewing during inspections and complaints as a result.

The Department will need one (1) full-time Regulatory Auditor (annual salary of \$50,611) to carry out the provisions outlined in the proposed legislation. This is assumed to be a telecommuter position. The fiscal impact to the General Revenue Fund is estimated to be \$79,721 for FY2025; \$93,328 for FY2026 and \$94,894 for FY2027.

**Oversight** has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by DHSS.

#### §191.1145 – Telehealth services

In response to similar legislation from the current session (HB 1873), officials from the **City O’Fallon** assumed the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact for this agency.

#### §§195.417 and 579.060 – Limits on selling or purchasing specific drugs

Officials from the **Office of the State Courts Administrator** assume the proposal would have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Oversight notes, per information from the Office of the State Courts Administrator, there were no guilty dispositions (class A misdemeanor) for Section 579.060 for the FY 2023 – FY 2020.

#### §198.700 - Provisions relating to referrals to assisted living facilities

In response to similar legislation from the current session (HCS HB 1733), officials from the **Office of Attorney General (AGO)** assumed any additional litigation costs arising from this proposal can be absorbed with existing personnel and resources. However, the AGO may seek additional appropriations if there is a significant increase in litigation.

**Oversight** does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

§337.800 – Dialectical Behavior Therapy Task Force

Officials from the **Department of Commerce and Insurance (DCI)** state the DCI believes the costs of this bill can be absorbed within current appropriations. However, should the cost be more than anticipated, DCI would request an increase to FTE and/or appropriations, as appropriate, through the budget process.

Officials from the **Missouri State Senate (SEN)** anticipate a negative fiscal impact to reimburse 2 Senators for travel to Dialectical Behavior Therapy Task Force meetings. In summary it will cost approximately \$1,006 for two Senators to travel to three meetings. The SEN assumes no fiscal responsibility for the other task force members

**Oversight** assumes the Missouri Senate is provided with core funding to handle a certain amount of activity each year. Oversight assumes Missouri Senate could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, Missouri Senate could request funding through the appropriation process.

Officials from the **Missouri House of Representatives** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

In response to similar legislation from the current session (HB 1723), officials from the **Missouri Department of Conservation** assumed the proposal will have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this agency.

Bill as a whole

Officials from the **Department of Elementary and Secondary Education**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Public Safety (DPS) – Division of Fire Safety** and the **Missouri Highway Patrol**, the **Department of Social Services**, the **Missouri Department of Conservation**, the **Missouri Department of Transportation**, the **Office of the State Public Defender**, the **City of Kansas City**, the **Newton County Health Department**, the **Phelps County Sheriff's Department**, the **Branson Police Department**, the **Kansas City Police Department**, the **St. Louis County Police Department**, the **Missouri Consolidated Health Care Plan** and the **Missouri Office of Prosecution Services** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. 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 bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with 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.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other cities, county commissioners, local public health departments, nursing homes, county prosecutors, county public administrators, county clerks, sheriffs and police departments, fire protection districts, ambulance and EMS services, and schools 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
<b>GENERAL REVENUE FUND</b>			
<u>Costs – DHSS (§190.166) p.3-5</u>			
Personal service	(\$42,176)	(\$51,623)	(\$52,656)
Fringe benefits	(\$28,863)	(\$35,028)	(\$35,428)
Equipment and supplies	(\$8,682)	(\$6,677)	(\$6,810)
<b>Total Costs - DHSS</b>	<b>(\$79,721)</b>	<b>(\$93,328)</b>	<b>(\$94,894)</b>
FTE Change - DHSS	1 FTE	1 FTE	1 FTE
<b>ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND</b>	<b>(\$79,721)</b>	<b>(\$93,328)</b>	<b>(\$94,894)</b>
Estimated Net FTE Effect on the General Revenue Fund	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

§196.900 – Small child care businesses could be impact by this proposal; §198.700 – Small referral agency businesses could be impacted by this proposal; and §335.081 - Small business Nursing Homes and Long-Term Care Facilities could be impacted by this proposal

FISCAL DESCRIPTION

This proposal modifies provisions relating to emergency medical services. (§190.166)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

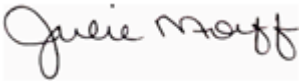
SOURCES OF INFORMATION

- Attorney General’s Office
- Department of Commerce and Insurance
- Department of Elementary and Secondary Education
- Department of Health and Senior Services
- Department of Mental Health
- Department of Natural Resources
- Department of Public Safety –
  - Division of Fire Safety
  - Missouri Highway Patrol
- Department of Social Services
- Missouri Department of Conservation
- Missouri Department of Transportation
- Office of the State Public Defender
- Office of the Secretary of State
- City of Kansas City
- Newton County Health Department
- Phelps County Sheriff’s Department
- Branson Police Department
- Kansas City Police Department
- St. Louis County Police Department
- Missouri House of Representatives
- Joint Committee on Administrative Rules



L.R. No. 5826H.02C  
Bill No. HCS for HB Nos. 2824 & 1723  
Page 9 of 9  
April 10, 2024

Missouri Senate  
Missouri Consolidated Health Care Plan  
Missouri Office of Prosecution Services  
Office of the State Courts Administrator



Julie Morff  
Director  
April 10, 2024



Ross Strobe  
Assistant Director  
April 10, 2024