

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1341H.01P
Bill No.: Perfected HB 262
Subject: Veterans; Mental Health; Health Care; Medical Procedures and Personnel
Type: Original
Date: April 1, 2025

Bill Summary: This proposal creates provisions relating to alternative therapies for veterans with PTSD and traumatic brain injuries.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue*	\$0 to (Exceeding \$435,700)	\$0 to (Exceeding \$412,204)	\$0 to (Exceeding \$419,184)
Total Estimated Net Effect on General Revenue	\$0 to (Exceeding \$435,700)	\$0 to (Exceeding \$412,204)	\$0 to (Exceeding \$419,184)

*Subject to appropriations. The amounts above simply reflect the administrative costs of the Department of Public Safety - Missouri Veterans Commission (4 FTE). Not included in the amounts above are the reimbursements to health care facilities for hyperbaric oxygen therapy nor the reimbursements for these costs by the U.S. Department of Defense or the U.S. Food and Drug Administration.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Veterans Traumatic Brain Injury Treatment and Recovery*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

*Oversight assumes transfers-in/appropriations, gifts, bequests, donations and costs net to \$0.

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Veterans Traumatic Brain Injury Treatment and Recovery	0 to 4 FTE	0 to 4 FTE	0 to 4 FTE
Total Estimated Net Effect on FTE	0 to 4 FTE	0 to 4 FTE	0 to 4 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 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Due to time constraints, **Oversight** was unable to receive some agency responses in a timely manner and performed limited analysis. Oversight has presented this fiscal note on the best current information that we have or on information regarding a similar bill(s). Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

§§191.2600 to 191.2630 – Alternative therapies for veterans with PTSD and traumatic brain injuries

In response to a previous version, officials from the **Department of Public Safety (DPS) - Missouri Veterans Commission (MVC)** stated this proposal would have a significant fiscal impact on the Missouri Veterans Commission.

This would be a new program owned by the Missouri Veterans Commission as defined in §191.2605 (2) definition of Commission. Section 191.2610 provides compliance and eligibility under the program, which is increased responsibilities of MVC, outside of its existing operational structure. Section 191.2615 creates the new fund “Veterans Traumatic Brain Injury Treatment and Recovery fund” and further defines how monies are granted and reimbursed. Section 191.2620 defines responsibility of the recipient and the oversight, data analysis, and reporting responsibility of MVC.

MVC does not believe without creating a new program entirely, that MVC would be the ones to handle this program. They do not have the required personnel to make these mental health decisions.

The MVC makes the following assumptions:

- Require an administrative assistant - \$45,000 annual
- Require two accountants - \$55,000 annual
- Require a program manager - \$85,000 annual
- Require new computers equipped with tracking software, communication equipment, office equipment, office furniture, and office space that MVC does not currently have available - \$103,900

Since the provisions of this proposal would be effective January 1, 2026, the MVC anticipates an impact of \$435,700 for FY 2026; an impact of \$412,204 for FY 2027; and an impact of \$419,184 for FY 2028.

The MVC defers to DHSS to determine the number of hyperbaric facilities and estimate the number of treatment and cost per but could exceed \$5M annually.

Oversight has no information to the contrary. Therefore, Oversight will present the fiscal impact of this proposal as provided by DPS-MVC. Oversight assumes all costs incurred by the MVC plus reimbursements for therapy/treatment will be paid for through the Veterans Traumatic Brain Injury Treatment and Recovery Fund authorized by §191.2615. Funding for this program will consist of any appropriation, gifts, bequests and donations. Therefore, Oversight assumes, for fiscal note purposes, total funding and expenditures will net to \$0.

In response to a previous version, officials from the **Department of Health and Senior Services** stated Sections 191.2600 to 191.2630 of the proposed legislation establishes the “Veterans Traumatic Brain Injury Treatment and Recovery Act” and the “Veterans Traumatic Brain Injury Treatment and Recovery Fund” creating provisions relating to alternative therapies (including, but not limited, to hyperbaric oxygen therapy) for veterans with Post Traumatic Stress Disorder (PTSD) or Traumatic Brain Injuries (TBI). The Veteran’s Commission would be determining if entities are eligible for reimbursement for providing alternative therapies to veterans diagnosed with PTSD or TBI and reimbursing those entities from the fund. The Department of Health and Senior Service (DHSS) would be responsible for awarding funds (via contract(s)) to entities to conduct research on the effectiveness of the therapies as treatment (Section 191.2615.7). DHSS would also be responsible for analyzing the report prepared by the Commission as well as information from the studies/research conducted by the entities contracted by DHSS. This information would be used by DHSS to prepare a report outlining findings, efficacies of alternative treatment, and recommendations on budgetary, legislative, or regulatory changes required to expand access to alternative treatment for the target population. The DHSS report would be submitted to the Governor before January thirtieth each year (Section 191.2625.3). DHSS and the Veteran’s Commission will jointly promulgate rules and regulations related to the legislation (Section 191.2630). It is assumed that the DHSS duties listed above will be performed by current DHSS staff. Therefore, no additional FTE will be required/requested.

The estimated fiscal impact of the research and reporting responsibilities assigned to DHSS as set forth in the proposed legislation (Sections 191.2615.7 and 191.2625.3) is \$50,000 annually. This is based on a research contract quote from one of DHSS’ current partners.

The legislation proposes to fund these costs from the newly established Veterans Traumatic Brain Injury Treatment and Recovery Fund. The Veterans Traumatic Brain Injury Treatment and Recovery Fund does not appear to have a dedicated funding source, so DSDS assumes a GR transfer would be needed to support the fund. This fiscal note assumes all costs would be made from the Veterans Traumatic Brain Injury Treatment and Recovery Fund and an equivalent GR transfer would be necessary to support the new fund.

The proposed legislation amends Chapter 191, RSMo, to allow facilities in the State of Missouri, who meet specific conditions, to provide and be reimbursed by the Department of Health and Senior Services for hyperbaric oxygen therapy provided to Veterans with posttraumatic stress disorder (PTSD) or a traumatic brain injury. Section 191.2605(3) defines facility as “a public or private health clinic, outpatient health clinic, community health center, hospital, or other facility

authorized under rules of the department of health and senior services to provide hyperbaric oxygen therapy under sections 191.2600 to 191.2615.”

As a result of the proposed legislation, the Division of Regulation and Licensure (DRL), Section for Health Standards and Licensure may experience minor additional work in terms of receiving and processing complaints regarding this program and whether a hospital is carrying out all of the requirements properly. It is assumed that the DRL can absorb the costs of this bill with current resources. However, if the workload significantly increased or other legislation was enacted, additional resources would be requested through the appropriation process.

In response to a previous version, officials from the **University of Missouri Health Care (MU Health)** have reviewed this proposed legislation and has determined that, as written, it should not create expenses in excess of \$100,000 annually.

Oversight has no information to the contrary. Oversight assumes the additional expenses that may be incurred as a result of this proposal is absorbable within the current funding levels MU Health and will present no fiscal impact for this organization.

In response to a previous version, officials from the **Department of Public Safety – Division of Fire Safety**, the **Missouri National Guard** and the **Office of the State Treasurer** each assumed 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.

Oversight only reflects the responses received from state agencies and political subdivisions; listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

House Amendment 1

Oversight assumes this amendment removes the Department of Health and Senior Services from this proposal. Therefore, Oversight will reflect no impact for this agency in the fiscal note.

House Amendment 2

Oversight assumes that the amendment will have no fiscal impact to the underlying bill.

Bill as a whole

Officials from the **Department of Commerce and Insurance**, **Missouri House of Representatives**, **Missouri Senate**, and the **Department of Social Services** each 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 for these agencies.

Rule Promulgation

In response to a previous version, officials from the **Joint Committee on Administrative Rules** assumed this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

In response to a previous version, officials from the **Office of the Secretary of State (SOS)** noted 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Transfer-Out</u> – Appropriations to the Veterans Traumatic Brain Injury Treatment and Recovery Fund (§191.2615) p.3-4	\$0 to (Exceeding <u>\$435,700</u>)	\$0 to (Exceeding <u>\$412,204</u>)	\$0 to (Exceeding <u>\$419,184</u>)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	\$0 to (Exceeding <u>\$435,700</u>)	\$0 to (Exceeding <u>\$412,204</u>)	\$0 to (Exceeding <u>\$419,184</u>)
VETERANS TRAUMATIC BRAIN INJURY TREATMENT AND RECOVERY FUND			
<u>Transfer-In</u> – Appropriations from General Revenue p.3-4	\$0 to Exceeding \$435,700	\$0 to Exceeding \$412,204	\$0 to Exceeding \$419,184
<u>Income</u> – Reimbursements, gifts, bequests, & donations p.4	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<u>Costs – DPS-MVC (§§191.2610 to 191.2630)</u>	\$0 to ...	\$0 to ...	\$0 to ...
Personal Service	(\$200,000)	(\$244,800)	(\$249,696)
Fringe Benefits	(\$132,800)	(\$161,284)	(\$163,246)
Equipment and Expense	(\$77,900)	(\$6,120)	(\$6,242)
<u>Costs – DPS-MVC</u> Leased Facility in Jefferson City, MO	(\$25,000)	\$0	\$0
<u>Total Cost – DPS-MVC</u>	(\$435,700)	(\$412,204)	(\$419,184)
FTE Change – DPS-MVC	0 to 4 FTE	0 to 4 FTE	0 to 4 FTE
<u>Costs – DPS-MVC – reimbursement to health care facility for providing hyperbaric oxygen therapy to veterans</u>	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<u>Reimbursement – DPS-MVC - from the US Food and Drug Administration or the US Department of Defense</u>	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown
ESTIMATED NET EFFECT ON THE VETERANS TRAUMATIC BRAIN INJURY TREATMENT AND RECOVERY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on the Veterans Traumatic Brain Injury Treatment and Recovery Fund	0 to 4 FTE	0 to 4 FTE	0 to 4 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	<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

This bill establishes the "Veterans Traumatic Brain Injury Treatment and Recovery Act".

The bill creates the "Veterans Traumatic Brain Injury Treatment and Recovery Fund", which will reimburse facilities that provide hyperbaric oxygen therapy to veterans diagnosed with posttraumatic stress disorder or traumatic brain injury and be used to conduct studies on the use of alternative therapies for such conditions.

The bill specifies the eligibility criteria and requirements for veterans, facilities, and health care practitioners for reimbursement.

The Missouri Veterans Commission must compile an annual report with data about the treatment of hyperbaric oxygen therapy and its effectiveness. The information collected for the report is specified in the bill.

The bill grants the Missouri Veterans Commission the authority to promulgate rules and regulations for the administration of the Act.

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

SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Health and Senior Services
Department of Public Safety –
 Division of Fire Safety
 Missouri Veterans Commission
Department of Social Services
Missouri National Guard
Office of the Secretary of State
Office of the State Treasurer
Missouri House of Representatives

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Missouri Senate
Joint Committee on Administrative Rules
University of Missouri System

A handwritten signature in black ink, reading "Julie Morff". The signature is written in a cursive, flowing style.

Julie Morff
Director
April 1, 2025

A handwritten signature in black ink, reading "Jessica Harris". The signature is written in a cursive, flowing style.

Jessica Harris
Assistant Director
April 1, 2025