

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1720H.04C
Bill No.: HCS for HB 901
Subject: Hospitals; Employees - Employers; Victims of Crime; Health Care Professionals
Type: Original
Date: April 25, 2025

Bill Summary: This proposal creates provisions relating to workplace security for health care professionals.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General	Likely to exceed (\$348,269)	Likely to exceed (\$381,181)	Likely to exceed (\$387,836)
Total Estimated Net Effect on General Revenue	Likely to exceed (\$348,269)	Likely to exceed (\$381,181)	Likely to exceed (\$387,836)

***Oversight** assumes reimbursements to hospitals for added security measures, including new payroll costs for any security personnel the hospital may employ, could be significant in addition to other DHSS program costs.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Hospital Security Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

*Transfers and distributions 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
General Revenue	3 FTE	3 FTE	3 FTE
Total Estimated Net Effect on FTE	3 FTE	3 FTE	3 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 to Unknown	\$0 to Unknown	\$0 to Unknown

***Oversight** assumes reimbursements to hospitals for added security measures, including new payroll costs for any security personnel the hospital may employ, could be significant.

FISCAL ANALYSIS

ASSUMPTION

§§ 192.918 and 197.752 – Workplace security for health care professionals

Officials from the **Department of Health and Senior Services (DHSS)** state § 192.918 would require the DHSS to implement an education and awareness program to promote respect for health care professionals. The program would be aimed at citizen awareness of the legal consequences of assaulting health care professionals.

Section 197.752 would require DHSS to develop methodologies to provide reimbursements to hospitals for moneys spent on new physical property or new technologies compliant with the National Defense Authorization Act. Additionally, this section would allow DHSS to provide reimbursement to hospitals for security provided to the hospital, during the first five years from the effective date of this legislation.

Three full-time staff will be needed to complete these efforts. A Senior Program Specialist will serve as the technical expert, providing direction to the reimbursement functionality/oversight and assistance to hospitals seeking to better their security. This position will assure proper spending and reimbursements as outlined in Section 197.752. This position will also be the lead for developing an education and awareness program for promoting respect and protection of health care workers from be assaulted. This position has an annual salary of \$64,824. A Public Health Program Specialist will be needed to facilitate the dispersal for funds to hospitals through contracts. Hospitals will return invoices to the department for payment for allowable security cost. This position will be responsible for contract monitoring, spending plans, establishing contracts, and assisting with prescribed methodologies to facilitate the grants. This position has an annual salary of \$59,112. A Senior Accountant will be needed to process and manage the fiscal aspects of the hospital reimbursements. This position has an annual salary of \$82,512.

It is anticipated both Program Specialist positions will travel to many of the estimated 160 licensed hospitals statewide to provide technical assistance and review the security changes. Due to the extensive travel requirements for these FTE, the annual travel cost for each position is estimated to be \$10,000. Both staff also will need training to become proficient in hospital security tactics, this knowledge will be shared with hospitals seeking security upgrades. The cost for registration for trainings is \$1,000 for both staff.

Section 192.752.3 of the proposed legislation states reimbursements for security upgrades, outlined in 192.752.1, and security personnel costs, as outlined in 192.752.2, are subject to appropriation. There is no language in the proposed legislation capping expenditures per reimbursement type, per hospital or for the legislation as a whole. **Expenditures for the legislation are, therefore, unknown but could be significant.**

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

Oversight notes that, subject to appropriations, hospitals may be reimbursed for added security measures including new payroll costs for any security personnel the hospital may employ. The Hospital Security Fund shall be a dedicated fund and, upon appropriation, moneys in this fund shall be used solely for reimbursement payments to hospitals. Oversight will present the expenditures as \$0 to Unknown and assumes they will exceed \$250,000 annually. Oversight also assumes money transferred to the fund will be disbursed to hospitals in the same year it is appropriated and, therefore, the fund balance will net to \$0.

Officials from the **Department of Labor and Industrial Relations** and the **Department of Mental Health** 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.

In response to a previous version, officials from the **Office of Administration - Budget and Planning** and the **Office of the State Treasurer** each assumed the proposal would 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; however, 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 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Transfer Out - Hospital Security Fund</u> (§ 197.752) Hospital reimbursements p. 4	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
<u>Costs – DHSS (§§ 192.918 and 197.752) p. 3</u>			
Personal service	(\$172,040)	(\$210,577)	(\$214,788)
Fringe benefits	(\$108,434)	(\$131,775)	(\$133,463)
Equipment and expense	(\$66,795)	(\$37,829)	(\$38,585)
Registrations and Training p. 3	(\$1,000)	(\$1,000)	(\$1,000)
<u>Total Costs</u>	<u>(\$348,269)</u>	<u>(\$381,181)</u>	<u>(\$387,836)</u>
FTE Changes	3 FTE	3 FTE	3 FTE
ESTIMATE NET EFFECT ON THE GENERAL REVENUE FUND	<u>Likely to</u> <u>exceed</u> <u>(\$348,269)</u>	<u>Likely to</u> <u>exceed</u> <u>(\$381,181)</u>	<u>Likely to</u> <u>exceed</u> <u>(\$387,836)</u>
Estimated Net FTE Change on the General Revenue Fund	3 FTE	3 FTE	3 FTE
HOSPITAL SECURITY FUND			
<u>Transfer In – From General Revenue</u> (§ 197.752) p. 4	<u>\$0 to</u> <u>Unknown</u>	<u>\$0 to</u> <u>Unknown</u>	<u>\$0 to</u> <u>Unknown</u>
<u>Transfer Out – To Hospitals</u> (§ 197.752) Security reimbursements p. 4	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
ESTIMATE NET EFFECT ON THE HOSPITAL SECURITY FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL GOVERNMENTS			
<u>Income</u> – Hospitals (§§ 192.918 and 197.752) Reimbursements for security measures p. 3	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>

FISCAL IMPACT – Small Business

This legislation will allow small hospitals access to funding for improvements in building safety and promote staff security. (§§ 192.918 and 197.752)

FISCAL DESCRIPTION

This bill requires the Department of Health and Senior Services to implement an education and awareness program to promote respect for health care professionals and educate the public on the legal consequences of assaulting such professionals.

Subject to appropriation, a hospital may receive reimbursement from the state for moneys spent on physical property or technology to enhance the physical security of the premises during the two years following the enactment of the bill, as well as for moneys spent on new payroll costs for security personnel, which may be obtained during the five years following the enactment of the bill. This proposal creates in the state treasury the "Hospital Security Fund." (§§ 192.918 and 197.752)

§ 197.752 shall expire on August 28, 2028.

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

SOURCES OF INFORMATION

Budget and Planning
Department of Health and Senior Services
Department of Labor and Industrial Relations
Department of Mental Health
Office of the State Treasurer



Julie Morff
Director
April 25, 2025



Jessica Harris
Assistant Director
April 25, 2025