

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1875H.01I
Bill No.: HB 720
Subject: Health Care Professionals; Higher Education; Physicians; Nurses; Dentists;
Psychologists
Type: Original
Date: February 10, 2025

Bill Summary: This proposal modifies provisions relating to a loan repayment program for health care professionals.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General	Up to (\$575,000)	Up to (\$575,000)	Up to (\$575,000)
Total Estimated Net Effect on General Revenue	Up to (\$575,000)	Up to (\$575,000)	Up to (\$575,000)

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

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
DHSS Federal Fund (#0143)	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* **Oversight** assumes the \$575,000 in additional funds for the HRSA SLRP will be disbursed within the same fiscal year as it is received and net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	0	0

- ☒ 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

§ 191.600 to § 191.615 - Missouri State Loan Repayment Program (MOSLRP)

Officials from **Department of Health and Senior Services (DHSS)** state the proposed legislative changes to 191.600-191.615 would update the list of eligible profession types to include all professions allowable under the federal Health Resources and Services Administration (HRSA) state loan repayment program (SLRP) grant, expanding the eligible professions that Missouri can offer loan repayment to under the SLRP grant.

Under the provisions of the current statute, General Revenue (GR) funds in the Health Professional Loan Repayment Program (HPLRP) do not meet the match requirements for the HRSA SLRP federal grant. The expansion of the eligible health professions in the proposed legislation would allow the Department of Health and Senior Services (DHSS), Office of Rural Health and Primary Care (ORHPC) to request additional federal funds for the SLRP program. The maximum award under the federal SLRP grant is \$1,000,000. Because the grant requires a 1:1 state match, ORHPC has historically only been able to apply for a maximum of \$425,000 in SLRP funds under the match requirement, utilizing **donated funds** to meet the match requirement.

Under the proposed legislation, health professions eligible under the state SLRP statutes would align with HRSA eligible health professions, allowing state funding (GR) received for the HPLRP program to be used to meet the HRSA SLRP match requirement. The HPLRP is a state program funded by \$1,000,000 in GR. Once the state and federal eligible health professions align, DHSS could use the GR funds received for HPLRP as another source of matching funds for the HRSA SLRP grant, allowing DHSS, ORPHC to receive up to an additional \$575,000 (\$1,000,000 total grant - \$425,000 current utilization/ donated funds) in federal funding to award loans to health professionals under the SLRP program, increasing the number of health professionals providing services in underserved areas.

The HPLRP eligible professions are chosen by the Director of DHSS in consultation with the Office of Workforce Development in the Department of Higher Education and Workforce Development and the Department of Mental Health.

Oversight assumes funds for the HRSA SLRP will be disbursed within the same fiscal year as it is received. Therefore, Oversight will present the additional funds to DHSS, ORHPC as income and costs “up to \$575,000” annually and net to \$0.

Officials from the **Department of Commerce and Insurance**, the **Department of Higher Education and Workforce Development** and the **Office of the State Treasurer** 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Costs</u> – DHSS/ORHPC (§ 191.600 to § 191.615) HPLRP funds for HRSA SLRP grant match used for loans p. 3	<u>Up to</u> <u>(\$575,000)</u>	<u>Up to</u> <u>(\$575,000)</u>	<u>Up to</u> <u>(\$575,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>Up to</u> <u>(\$575,000)</u>	<u>Up to</u> <u>(\$575,000)</u>	<u>Up to</u> <u>(\$575,000)</u>
DHSS FEDERAL FUND (#0143)			
<u>Income</u> – DHSS, ORHPC (§ 191.600 to § 191.615) SLRP grant funds from HRSA p. 3	Up to \$575,000	Up to \$575,000	Up to \$575,000
<u>Costs</u> – DHSS/ORHPC (§ 191.600 to § 191.615) SLRP grant funds used for loans p. 3	<u>Up to</u> <u>(\$575,000)</u>	<u>Up to</u> <u>(\$575,000)</u>	<u>Up to</u> <u>(\$575,000)</u>
ESTIMATED NET EFFECT ON DHSS FEDERAL FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<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.

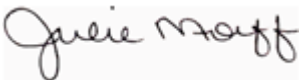
FISCAL DESCRIPTION

This bill modifies provisions relating to a loan repayment program for health care professionals and changes the program title to the "Missouri State Loan Repayment Program (MOSLRP)". Under the proposed legislation, health professions eligible under the state loan repayment program statutes would align with HRSA eligible health professions. (§ 191.600 to § 191.615)

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 Commerce and Insurance
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Office of the State Treasurer



Julie Morff
Director
February 10, 2025



Jessica Harris
Assistant Director
February 10, 2025