

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2381H.02C
Bill No.: HCS for HB Nos. 984, 1023, & 1561
Subject: Hospitals; Department of Health and Senior Services
Type: Original
Date: March 19, 2025

Bill Summary: This proposal specifies that the Department of Health and Senior Services shall not deny trauma center status to a hospital based on its distance from another trauma center.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General	(\$237,796)	(\$280,921)	(\$285,907)
Total Estimated Net Effect on General Revenue	(\$237,796)	(\$280,921)	(\$285,907)

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
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	2 FTE	2 FTE	2 FTE
Total Estimated Net Effect on FTE	2 FTE	2 FTE	2 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 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

§ 190.241 - Trauma center designations

Officials from the **Department of Health and Senior Services (DHSS)** state § 190.241.1 of the proposed legislation prohibits the DHSS, Division of Regulation and Licensure (DRL), Time Critical Diagnosis (TCD) program from denying a qualified hospital designation of a level I, II, or III trauma center based solely on the distance or mileage between trauma centers.

As a result of the proposed legislation, TCD anticipates the addition of approximately 20 new program participants. This would require two (2) full-time Registered Nurses (annual salary of \$78,792) to process the additional applications and conduct the required inspections. The Registered Nurses will be remote and are expected to travel extensively; therefore, it is assumed travel will be double the standard cost at \$10,262.

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

In response to a previous version, officials from the **Cass Regional Medical Center** stated, for those who are already invested in the trauma program, this bill could be financial detrimental to the investments that have already been made and dedicated to trauma to include trauma coordinator, trauma registry, medical director, equipment, etc. Annual cost of these items alone for a Level III center is \$250,000. Need for additional trauma center should be based on geography to avoid diluting the program due to numbers and geographical locations.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a potential unknown loss to local regional medical centers and hospitals.

Oversight notes other 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			
<u>Costs – DHSS, TCD (§ 190.241) p. 3</u>			
Personal service	(\$131,320)	(\$160,736)	(\$163,950)
Fringe benefits	(\$78,953)	(\$96,007)	(\$97,295)
Equipment and expense	(\$27,523)	(\$24,178)	(\$24,662)
Total Costs - DHSS, TCD	(\$237,796)	(\$280,921)	(\$285,907)
FTE Changes	2 FTE	2 FTE	2 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	(\$237,796)	(\$280,921)	(\$285,907)
Estimated Net FTE Change on the General Revenue Fund	2 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS			
Costs - Regional medical centers and hospitals (§ 190.241) Duplicative services p. 3	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>	<u>\$0 or</u> <u>(Unknown)</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The bill specifies that the Department of Health and Senior Services will not deny trauma center status to a hospital based on its distance from another trauma center. (§ 190.241)

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
Cass Regional Medical Center



Julie Morff
Director
March 19, 2025



Jessica Harris
Assistant Director
March 19, 2025