

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2149-01
Bill No.: HB 1050
Subject: Health Care; Physicians; Health Care Professionals; Health and Senior Services
Department
Type: Original
Date: March 28, 2017

Bill Summary: This proposal allows health care providers to contract with the Department of Health and Senior Services to provide volunteer health care services to uninsured and underserved individuals.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
Total Estimated Net Effect on General Revenue	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Total Estimated Net Effect on FTE	0	0	0

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** state it is unknown how many contracts DHSS will establish with the providers of volunteer health services per section 191.1120. DHSS' responsibility for oversight of these contracts is unclear since the department has no current authority over many of these facilities or provider types. It is also unclear what is required under the quality assurance program in section 191.1124 of the proposed legislation. Therefore, the fiscal impact as a result of this proposal is unknown greater than \$100,000 annually.

Officials from the **Department of Mental Health (DMH)** state the proposed legislation allows health care providers to contract with the Department of Health and Senior Services to provide volunteer health care services to uninsured and underserved individuals. Based on the definitions included in Section 191.1120, the DMH could be considered a "governmental contractor" or a "health care provider" within this legislation. However, due to the nature of the individuals being served in our state owned facilities, the DMH would not pursue a contract to deliver volunteer healthcare services to eligible low-income patients as a governmental contractor nor as a health care provider; therefore, no fiscal impact is anticipated.

Officials from the **Office of Administration (OA), General Services Division (GS)** assume that neither the Department of Health and Senior Services nor any health care provider with which it contracts would violate the proposal. Therefore, it is assumed that no successful claims will be made against the Legal Expense Fund and the proposal would thus have no fiscal impact upon the OA, GS. However, should that assumption prove to be incorrect, significant costs could be incurred by the Legal Expense Fund.

Officials from the **Joint Committee on Administrative Rules (JCAR)** state the legislation is not anticipated to cause a fiscal impact to JCAR beyond its current appropriation.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Department of Social Services, Divisions of: MO HealthNet, Legal Services and Family Support**, the **Office of State Courts Administrator** and the **Columbia/Boone County Department of Public Health and Human Services** each assume the proposal would not fiscally impact their respective agencies.

Officials from the **Office of the Secretary of State (SOS)** state 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

ASSUMPTION (continued)

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 \$2,500. 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 the 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 assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
GENERAL REVENUE FUND			
<u>Costs - DHSS (§§191.1120 and 191.1124)</u>			
Costs incurred to establish contracts with volunteer health service providers and quality assurance program	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>	<u>(Unknown greater than \$100,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<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.

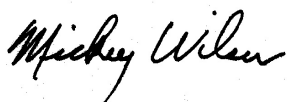
FISCAL DESCRIPTION

This bill allows health care providers to contract with the Department of Health and Senior Services to provide volunteer health care services to uninsured and underserved individuals. Health care providers, including their employees, acting within the scope of duties under the contract shall be considered an agent of the state and exempt from any action arising out of treatment provided under the terms of the contract. The bill requires that each health care provider to provide a notice to each patient served under the contract that he or she is an agent of the state with respect to the services provided. This provision may be satisfied by posting the notice in a conspicuous place. This bill requires the department to establish a quality assurance program to monitor the services provided under any contract and to annually submit a report to the General Assembly that includes specified statistics. The department shall provide, on its website, a listing of volunteer providers with the number of hours, patient visits, and value of health-care-related goods and services provided.

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
Department of Insurance, Financial Institutions and Professional Registration
Department of Mental Health
Department of Social Services -
 MO HealthNet Division
 Division of Legal Services
 Family Support Division
Joint Committee on Administrative Rules
Office of Administration -
 General Services Division
Office of State Courts Administrator
Office of Secretary of State
Columbia/Boone County Department of Public Health and
 Human Services



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