

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3508-01
Bill No.: HB 1630
Subject: Health Care: Health Care Professionals; Licenses - Professional
Type: Original
Date: April 20, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Registered Surgical Assistants and Technologists	\$0	\$82,928	(\$72,436)
Professional Registration Fees	\$0	\$0	\$0
Total Estimated Net Effect on Other State Funds	\$0	\$82,928	(\$72,436)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

The following agencies indicated this proposal would have no fiscal impact on their agencies: **Missouri Consolidated Health Care Plan, Department of Transportation, Department of Conservation, Department of Insurance, Office of State Treasurer, Office of State Public Defender.**

Officials from the **Office of State Courts Administrator** stated this proposal would have no fiscal impact on the Courts.

Officials from the **Office of Prosecution Services** indicated any costs to prosecutors could be absorbed.

Officials from the **Department of Corrections (DOC)** state that supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Office of Secretary of State (SOS)** assumed the rules, regulations and forms issued by the State Board of Registration for the Healing Arts could require as many as 10 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in the *Missouri Register* as in the Code because cost statements, fiscal notes and the

ASSUMPTION (continued)

like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The actual costs could be more or less the SOS's estimated cost of \$615 for FY 2005. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded or withdrawn.

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials with the **Department of Economic Development–Division of Professional Registration (DPR)** estimate the proposal will result in the licensing of 1,500 technologists and 75 assistants. DPR assumes a biennial registration fee \$90. DPR estimates a 3% growth rate and assumes licensure begins in FY 2006, resulting in revenue to the Registered Surgical Assistant and Registered Surgical Technologist Fund of \$141,750 in FY 2006 and \$1,772 in FY 2007.

DPR assumes all fees collected and all expenses would be deposited into and paid out of the Registered Surgical Assistants and Registered Surgical Technologists Fund. DPR notes expenses occurring prior to an appropriation (FY 2006) would be borrowed from another fund within Professional Registration and paid back in FY 2006 or FY 2007.

DPR assumes implementation of the proposal will require hiring an additional 1 FTE in FY 2006, as follows: 1 Licensure Technician II (\$25,092) to provide technical support to the Board of Registration for Healing Arts, process applications for licensure and respond to any inquiries related to the licensure law or rules & regulations. In addition, it has been estimated that the Registered Surgical Assistants and Registered Surgical Technologists Fund will pay at least .5% of the current principal assistant's annual salary. **Oversight** has, for fiscal note purposes only, changed the starting salary for the requested DPR staff position to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research. **Oversight** assumes the .5% of the current principal assistant's annual salary could be absorbed and that accounting costs for the transfer would exceed the amount to be transferred.

DPR assumes office space will be needed for the additional FTE at a cost of \$1,550 annually. **Oversight** assumes rental space will not be required for one additional full time FTE.

ASSUMPTION (continued)

DPR assumes five complaints would be received each year and would require, on average, five hours each to complete. DPR estimates all of these complaints will require field investigations, each needing 30 hours of field work and one night's lodging. Travel expenses for the investigations are estimated at \$1,275 annually. DPR assumes complaints and investigations would not start until FY 2007.

DPR assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO). DPR estimates 50% of investigations (2) would be forwarded to the AGO for further action. Assuming \$5,400 cost per case, DPR estimates \$10,800 annually beginning in FY 2007. DPR also estimates the AGO would provide approximately 60 hours of assistance with rules, opinions and meetings per year. Assuming an hourly rate of \$60.87, these costs are estimated at \$3,652 yearly.

DPR assumes printing and postage costs will be incurred in the first year for statute and rule mailings and for startup printing of rules, applications, letterhead and envelopes. DPR estimates printing and postage costs at \$6.25 per licensee in the first year, for a total cost of \$9,844. Subsequent years' printing and postage costs are expected continue at this amount. **Oversight** assumes annual postage and printing costs to average \$2,500 annually, based on previous proposals.

DPR assumes existing staff would design, program, and implement a computer licensure program; however, if costs are higher than anticipated, further monies will be required.

Oversight assumes sufficient fee income should be generated during each biennial fee cycle to cover expenses of operations during the second year of the cycle.

This proposal would increase total state revenue.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
REGISTERED SURGICAL ASSISTANTS AND TECHNOLOGISTS FUND			
<u>Income - DPR</u>			
Licensure Fees/Renewals	\$0	\$141,750	\$1,772
<u>Cost - DPR</u>			
Transfers to PR Fees Fund	\$0	<u>(\$58,822)</u>	<u>(\$74,208)</u>
ESTIMATED NET EFFECT ON REGISTERED SURGICAL ASSISTANTS AND TECHNOLOGISTS FUND	<u>\$0</u>	<u>\$82,928</u>	<u>(\$72,436)</u>
PR FEES FUND			
<u>Income - DPR</u>			
Transfer from Registered Surgical Assistants and Technologists Fund	\$0	\$58,822	\$74,208
<u>Cost - DPR</u>			
Personal Service (1 FTE)	\$0	\$25,732	\$26,375
Fringe Benefits	\$0	\$10,653	\$10,919
Expense and Equipment	\$0	\$18,785	\$22,462
AGO	<u>\$0</u>	<u>\$3,652</u>	<u>\$14,452</u>
Total <u>Costs</u> - DPR	<u>\$0</u>	<u>\$58,822</u>	<u>\$74,208</u>
ESTIMATED NET EFFECT ON PR FEES FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses employing surgical assistants and surgical technologists could be affected by this proposal if they chose to pay the registration fees.

DESCRIPTION

This proposal for the registration of surgical assistants and surgical technologists. The proposal:

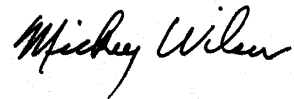
- (1) Requires persons wishing to become registered surgical assistants to be certified by the National Surgical Assistant Association on the Certification of Surgical Assistants, Liaison Council on Certification for the Surgical Technologist, or the American Board of Surgical Assisting and those wishing to be registered surgical technologists to be certified by the Liaison Council on Certification for the Surgical Technologist;
- (2) Requires applicants to make application with the State Board of Registration for the Healing Arts;
- (3) Requires that no person practice or say that they are a registered surgical assistant or registered surgical technologist without being registered by the board;
- (4) Provides exemptions for certain health care professionals acting within the scope of their practice;
- (5) Establishes qualifications which must be met prior to applying for registration;
- (6) Specifies the requirements for registration renewal, fees, inactive status, registration refusal, revocation, and suspension; and
- (7) Creates the Registered Surgical Assistant and Registered Surgical Technologist Fund.

The proposal contains penalty provisions and will become effective July 1, 2005.

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 Economic Development
 Division of Professional Registration
Missouri Consolidated Health Care Plan
Department of Transportation
Department of Conservation
Department of Insurance
Office of Secretary of State
 Administrative Rules Division
Office of State Treasurer
Office of State Courts Administrator
Department of Corrections
Office of State Public Defender
Office of Prosecution Services



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Director
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