

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4977-03  
Bill No.: HCS for HB 1767  
Subject: Disabilities; Elderly; Health Department  
Type: Original  
Date: March 24, 2006

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(Less than \$100,000)	\$0	\$0
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(LESS THAN \$100,000)</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Nursing Facility Quality of Care Fund	Unknown	Unknown	Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>Unknown</b>	<b>Unknown</b>	<b>Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Department of Corrections** and the **Department of Mental Health** assume this proposal would not fiscally impact their agencies.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** assume this proposal would not fiscally impact their agency. DMS assumes any money collected and deposited in the Nursing Facility Quality of Care Fund as stated in Section 192.2153.3 would be appropriated to the Department of Health and Senior Services.

Officials from the **Department of Elementary and Secondary Education (DESE)** assume there is no state cost to the foundation formula associated with this proposal. Should the new crimes and amendments to current law result in additional fines or penalties, DESE cannot know how much additional money might be collected by local governments or the DOR to distribute to the schools. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to schools increases the deduction in the foundation formula the following year. Therefore, the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be

ASSUMPTION (continued)

additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Officials from 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 proposal. SOS is provided with core funding to handle a certain amount of normal activity resulting from each years legislative session. The fiscal impact for Administrative Rules is less than \$1,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, 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 our office can sustain with our core budget. Therefore, 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.

Officials from the **Department of Health and Senior Services (DOH)** assumes Section 192.2150.15 provides that all providers who report incidents will classify them as a self-report and will count or track them separately form other hotline calls. DOH states currently, only self-reporting by licensed long-term care facilities is tracked and is maintained separately from other complaints. DOH states the Central Registry Unit's mainframe and software systems would need to be modified to enable separate tracking of self-reports by other providers. DOH states the cost for this modification would be less than \$100,000.

**Oversight** assumes this cost would be incurred in FY 2007.

Officials from the **State Public Defender** and the **Office of Prosecution Services** did not respond to our fiscal note request.

**Oversight** assumes there would be an unknown amount of penalties collected and deposited into the Nursing Facility Quality of Care Fund in accordance with Section 192.2153.3.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
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**GENERAL REVENUE**

Costs - Department of Health and Senior Services

Program costs	<u>(Less than \$100,000)</u>	<u>\$0</u>	<u>\$0</u>
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<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(Less than \$100,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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**NURSING FACILITY QUALITY OF CARE FUND**

Income - Department of Health and Senior Services

Administrative Penalties	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
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<b>ESTIMATED NET EFFECT ON NURSING FACILITY QUALITY OF CARE FUND</b>	<b><u>UNKNOWN</u></b>	<b><u>UNKNOWN</u></b>	<b><u>UNKNOWN</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Providers that are small businesses may be required to conduct supplemental background checks to ensure compliance with the additional disqualifying offenses in this proposal.

## DESCRIPTION

This proposal makes the necessary statutory changes based on the transfer of the Division of Aging from the Department of Social Services to the Department of Health and Senior Services. In its main provisions, the proposal:

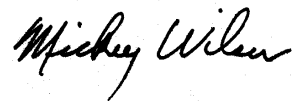
- (1) Defines the terms "consumer," "patient," and "provider";
- (2) Requires the department to keep the names of individuals submitting abuse and misappropriation reports confidential unless the complainant agrees to the disclosure of his or her name, the name of the complainant is lawfully subpoenaed, the release of a name is required by the Administrative Hearing Commission, or the release of a name is requested by the Department of Social Services for the purpose of licensure under Chapter 210, RSMo;
- (3) Protects patients and the patients' family members from eviction, harassment, or retaliation due to the filing of a report of a violation or suspected violation of the laws or regulations of the substitute;
- (4) Makes any person failing to file a required report guilty of a class A misdemeanor and any provider who knowingly conceals abuse or neglect that results in the death or serious injury of a patient guilty of a class D felony;
- (5) Creates a fine of \$1,000, to be assessed by the Department of Health and Senior Services, for any provider who willfully and knowingly fails to report known abuse by an employee;
- (6) Extends the time a person can be listed on the employee disqualification list by one year if he or she is employed in a prohibited position while on the list; and
- (7) Restates the agency rule-making authority to make any rule effective only if it complies with and is subject to the provisions of Chapter 536, RSMo.

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 Social Services -  
Division of Medical Services  
Department of Mental Health  
Department of Elementary and Secondary Education  
Secretary of State  
Department of Health and Senior Services  
Department of Corrections

**NOT RESPONDING: State Public Defender and Office of Prosecution Services**



Mickey Wilson, CPA  
Director  
March 24, 2006