

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0959-01  
Bill No.: HB 275  
Subject: Licenses - Professional; Physicians; Insurance Dept.  
Type: Original  
Date: February 18, 2009

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Bill Summary: Provides prescriptive authority to physician assistants under a physician supervision agreement.

**FISCAL SUMMARY**

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND                          |                                    |                   |                   |
|---|------------------------------------|-------------------|-------------------|
| FUND AFFECTED   | FY 2010                            | FY 2011           | FY 2012           |
| General Revenue   | (\$66,619 or<br>\$210,139)         | (\$37,350)        | (\$38,620)        |
|   |                                    |                   |                   |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue<br/>Fund</b> | <b>(\$66,619 or<br/>\$210,139)</b> | <b>(\$37,350)</b> | <b>(\$38,620)</b> |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS                             |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2010    | FY 2011    | FY 2012    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 5 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2010    | FY 2011    | FY 2012    |
|   |            |            |            |
|   |            |            |            |
| <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 FULL TIME EQUIVALENT (FTE)</b> |          |            |            |
|---|----------|------------|------------|
| FUND AFFECTED   | FY 2010  | FY 2011    | FY 2012    |
| General Revenue   | 1        | 0.5        | 0.5        |
|   |          |            |            |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>1</b> | <b>0.5</b> | <b>0.5</b> |

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |            |            |            |
|--|------------|------------|------------|
| FUND AFFECTED                              | FY 2010    | FY 2011    | FY 2012    |
| <b>Local Government</b>                    | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

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## **FISCAL ANALYSIS**

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### ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** state having reviewed the proposed legislation and having sought the conclusion of the appropriate board(s), they are of the opinion that this proposal, in its present form, has no fiscal impact on their organization.

Officials from the **Department of Health and Senior Services (DOH)** state additional registration fees for physician assistants will be generated by this legislation. This amount will be received primarily in a three-year cycle due to the three-year term of the registrations issued, except for individuals beginning to practice in Missouri in intervening years. The DOH, Division of Regulation and Licensure, assumes that 10 percent of the total number of physician assistants will qualify and apply for a three-year controlled substances registration in each year. In 2008, there were 559 physician assistant registrations in the state of Missouri. Assuming a 10 percent participation level each year, an additional \$5,040 (56 registrants X \$90 per three-year registration) would be generated through fees for controlled substances registration and deposited into the General Revenue Fund.

#### Office of Administration (COA), Information Technology Services Division (ITSD) Costs:

ITSD assumes one-time consultant costs for analysis, design development, testing, and implementation of the needed medications to collect and store the data will cost \$143,520. Since funding for consultant costs is contingent upon whether COA-ITSD's new decision is funded to implement SB 724 (2008), DOH assumes a range of cost from \$0 to \$143,520 for this component.

COA-ITSD also assumes the project will require the need for one Computer Information Technology Specialist I to provide project management, development support, and administration maintenance of the application. This position would require one full-time staff the first year, and then reduced to half of a full-time position in subsequent years for ongoing maintenance to the application. This FTE is necessary even if the new decision item to implement SB 724 is funded, as this FTE will be needed to make additional system modifications to add physician assistants and provide support for the system. Standard expense and equipment costs are included for this FTE.

**Oversight** assumes the DOH would not need additional rental space for 1 FTE.

| <u>FISCAL IMPACT - State Government</u>                 | FY 2010<br>(10 Mo.)                | FY 2011           | FY 2012           |
|---|------------------------------------|-------------------|-------------------|
| <b>GENERAL REVENUE FUND</b>                             |                                    |                   |                   |
| <u>Income - DOH</u>                                     |                                    |                   |                   |
| Controlled substance registration fees                  | \$5,040                            | \$5,040           | \$5,040           |
| <u>Costs - DOH</u>                                      |                                    |                   |                   |
| Personal service costs                                  | (\$40,500)                         | (\$25,029)        | (\$25,780)        |
| Fringe benefits   | (\$19,695)                         | (\$12,172)        | (\$12,537)        |
| Equipment and expense                                   | (\$11,464)                         | (\$5,189)         | (\$5,343)         |
| Consultant costs  | (\$0 or<br>\$143,520)              | \$0               | \$0               |
| Total <u>Costs</u> - DOH                                | (\$71,659 or<br>\$215,179)         | (\$42,390)        | (\$43,660)        |
| FTE Change - DOH  | 1.0 FTE                            | 0.5 FTE           | 0.5 FTE           |
| <b>ESTIMATED NET EFFECT ON<br/>GENERAL REVENUE FUND</b> | <b>(\$66,619 or<br/>\$210,139)</b> | <b>(\$37,350)</b> | <b>(\$38,620)</b> |
| Estimated Net FTE Change for General<br>Revenue Fund    | 1.0 FTE                            | 0.5 FTE           | 0.5 FTE           |
| <u>FISCAL IMPACT - Local Government</u>                 | FY 2010<br>(10 Mo.)                | FY 2011           | FY 2012           |
|   | <u>\$0</u>                         | <u>\$0</u>        | <u>\$0</u>        |
| <u>FISCAL IMPACT - Small Business</u>                   |                                    |                   |                   |

Small business health care providers may be negatively impacted if they continue to pay controlled substance registration fees to the State and U.S. Drug Enforcement Administration for physician assistants getting prescription authority.

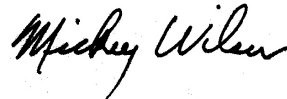
### FISCAL DESCRIPTION

This proposal allows physician assistants, when delegated through a physician supervision agreement, to prescribe Schedule III, IV, and V controlled substances. Physician assistants who are authorized to prescribe must register with the federal Drug Enforcement Administration and the federal Bureau of Narcotics and Dangerous Drugs.

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



Mickey Wilson, CPA  
Director  
February 18, 2009