

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5496-01  
Bill No.: HB 1848  
Subject: Children and Minors; Health Care; Medical Procedures and Personnel; Physicians  
Type: Original  
Date: March 3, 2014

**Bill Summary:** This proposal establishes disclosure regulations for entities that provide pregnancy-related services or solicits patrons with offers to provide prenatal sonography, pregnancy test, or pregnancy options counseling.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
General Revenue	(Unknown, could exceed \$194,132)	(Unknown, could exceed \$222,556)	(Unknown, could exceed \$225,126)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(Unknown, could exceed \$194,132)</b>	<b>(Unknown, could exceed \$222,556)</b>	<b>(Unknown, could exceed \$225,126)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</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 FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
General Revenue	3	3	3
<b>Total Estimated Net Effect on FTE</b>	<b>3</b>	<b>3</b>	<b>3</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>			
<b>FUND AFFECTED</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** state section 191.762 includes:

2. (1) *The provisions of this section applies to an entity if the primary purpose of the entity is to provide pregnancy-related services and the entity advertises or solicits patrons with offers to provide prenatal sonography, pregnancy tests, or pregnancy options counseling.*

and

4. *The department shall promulgate rules to implement the provisions of this section.*

Based on an internet search and a review of the Clinical Laboratory Improvement Amendments (CLIA) database for non-licensed locations with waivers for pregnancy testing, the Division of Regulation and Licensure (DRL) estimates that approximately 100 entities would require oversight; each entity would require two visits per year. It is assumed each of the visits would require 2.5 days (1 day on-site; 1 day write-up and 0.5 day travel time). This would require three additional staff:

- 2 Health Facilities Nursing Consultants (HFNC)  
(100 facilities X 2 visits per year X 2.5 days per visit X 8 hours per day = 4,000 hours) ÷ 2,080 work hours/year = 1.92 FTE, rounded up to 2.0 FTE. Besides entity visits, the HFNCs would also work with existing management staff on the promulgation of rules required by the proposed legislation. The HFNCs are considered to be telecommuters.
- 1 Senior Office Support Assistant (SOSA) to provide clerical support to the program, respond to inquiries and requests for information, receive complaints, track the impacted entities and results of visits, etc.

Section 191.762.3 would allow DHSS to collect an administrative penalty for failure to cure a violation of the provisions of the section within five days of the service of a written notice. Administrative penalties in the amount of at least \$250, and up to \$10,000, are assessed based on the number of days a violation continues after the expiration of the five-day period. It is not possible to estimate how many violations will be realized or the amount of each penalty that would be incurred. For fiscal note purposes, the DHSS assumes an unknown amount in penalties would be collected and deposited into the General Revenue (GR) Fund.

The DHSS estimates FY 15 costs to GR of Unknown, up to \$196,924; Unknown, up to \$225,990 for FY 16; and Unknown, up to \$228,646 for FY 17.

**Oversight** assumes the DHSS would not need rental space for 1 FTE

ASSUMPTION (continued)

Officials from the **Office of Administration (OA) - Commissioner's Office** state it is unknown what the cost of this proposal would be to Alternatives-to-Abortion (A2A) providers.

Officials from the **Office of Attorney General** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if there is a significant increase in referrals.

Officials from the **Office of the Secretary of State (SOS)** assume 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 amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the Secretary of State's Office 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, we also recognize 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, we reserve 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.

Officials from the **Department of Social Services (DSS) - MO HealthNet (MHD)** state the proposal will not impact MO HealthNet providers, and the Department of Health and Senior Services will have oversight of these provisions. Therefore, there will be no fiscal impact on the MHD.

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

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **OA - Administrative Hearing Commission**, the **Office of Prosecution Services** and the **Columbia/Boone County Department of Public Health and Human Services** each assume the proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
<b>GENERAL REVENUE FUND</b>			
<u>Income - DHSS (\$191.762.3)</u>			
Administrative penalty income	Unknown	Unknown	Unknown
<u>Costs - OA (\$191.762)</u>			
A2A disclosure costs	(Unknown)	(Unknown)	(Unknown)
<u>Costs - DHSS-DRL (\$191.762)</u>			
Personal service	(\$108,970)	(\$132,072)	(\$133,392)
Fringe benefits	(\$55,580)	(\$67,363)	(\$68,037)
Equipment and expense	<u>(\$29,582)</u>	<u>(\$23,121)</u>	<u>(\$23,697)</u>
Total <u>Costs - DHSS</u>	<u>(\$194,132)</u>	<u>(\$222,556)</u>	<u>(\$225,126)</u>
FTE Change - DHSS	3 FTE	3 FTE	3 FTE

**ESTIMATED NET EFFECT ON THE  
 GENERAL REVENUE FUND**

	<b><u>(Unknown, could exceed \$194,132)</u></b>	<b><u>(Unknown, could exceed \$222,556)</u></b>	<b><u>(Unknown, could exceed \$225,126)</u></b>
Estimated Net FTE Change on the General Revenue Fund	3 FTE	3 FTE	3 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

FISCAL IMPACT - Small Business

This proposal may impact small businesses that provide certain pregnancy-related services.

FISCAL DESCRIPTION

This proposal provides that any entity whose primary purpose is to provide pregnancy-related services and the entity advertises or solicits patrons with offers to provide prenatal sonography, pregnancy tests, or pregnancy options counseling to provide written notice of whether the entity provides contraceptive drugs or devices that are approved by the FDA, on-site consultations, adoption or adoption referral services, or abortion or abortion referral services. The notice is to be conspicuously placed at physical locations as provided by the proposal, on any website maintained, and in advertisements.

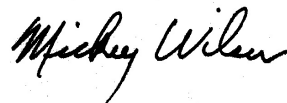
FISCAL DESCRIPTION (continued)

An entity that collects health information from a patron shall not disclose that information without written authorization from the patron. Upon receipt of a written request from a patron of the entity to examine or obtain a copy of any health information of the patron, the entity shall: 1) make the health information of the patron that is in the entity's possession available for examination by the patron during regular business hours; and 2) provide, at no charge to the patron, one copy of any health information that is in the entity's possession, if requested, and not contrary to any other provision of the law. If the entity does not have any health information in its possession, it is to inform the patron. If any person violates the provisions of the section, the department shall serve the person with a written notice of the violation and state the person may avoid an administrative penalty by curing the violation within 5 days. Administrative penalties shall be deposited into the general revenue fund.

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

Attorney General's Office  
Administrative Hearing Commission  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Health and Senior Services  
Department of Social Services  
Joint Committee on Administrative Rules  
Office of Administration  
Office of Prosecution Services  
Office of the Secretary of State  
Columbia/ Boone County Department of Public Health and Human Services



Mickey Wilson, CPA  
Director  
March 3, 2014

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Ross Strobe  
Assistant Director  
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