

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4608-02
Bill No.: HB 1977
Subject: Health Care Professionals; Licenses - Miscellaneous; Physicians
Type: Original
Date: March 2, 2020

Bill Summary: This proposal modifies provisions relating to assistant physicians.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|--|-------------------|-------------------|-------------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| Board of Registration for the Healing Arts (0634) | (\$48,970) | (\$45,838) | (\$46,023) |
| Professional Registration Fees (0689) | \$2,420 | \$2,481 | \$2,543 |
| Total Estimated Net Effect on Other State Funds | (\$46,550) | (\$43,357) | (\$43,480) |

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2021 | FY 2022 | FY 2023 |
| Board of Registration for the Healing Arts | 1 FTE | 1 FTE | 1 FTE |
| | | | |
| Total Estimated Net Effect on FTE | 1 FTE | 1 FTE | 1 FTE |

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 2021 | FY 2022 | FY 2023 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

§§334.036 and 334.039 - Assistant physician to be eligible to become a licensed physician

Officials from the **Department of Commerce and Insurance (DCI)** state §334.039 allows an assistant physician in good standing to be eligible for licensure as a physician if the assistant physician meets certain requirements.

DCI assumes 300 Assistant Physicians will apply for a Physician license (based on Board estimate). This will result in an increase in licensing fees of \$50 per license (\$25 licensing fee for Assistant Physician; \$75 licensing fee for Physician). A 3% growth rate has been estimated (9 additional initial licensees). It is estimated that the collection of temporary license fees will begin in FY 2021 and if the number of licensees vary significantly from the number estimated, the licensure fees will be adjusted accordingly. FY 2021 Revenues to the Healing Arts (HA) Fund (0634) are estimated to be \$15,000; FY 2022 revenues to the HA Fund are estimated to be \$15,450; and FY 2023 revenues are estimated to be \$15,900.

The following board-specific expenses are being calculated to determine the additional appropriation needed by the division to support the board and to assist in calculating the anticipated license and renewal fees:

- 1 Legal Counsel (\$68,310 annually)
- 1 Processing Technician II (\$30,089 annually) to provide technical support, process applications for licensure, and respond to inquiries related to the licensure law and/or rules and regulations.

Total equipment and expense are estimated to be \$43,308 for FY 2021; \$5,222 for FY 2022; and \$5,352 for FY 2023.

Oversight contacted DCI officials regarding the need for Legal Counsel for this proposal. DCI indicated the Board's (Board of Healing Arts) current legal counsel is at full capacity and can not absorb the additional duties required by this proposal. Oversight, however, assumes there would not be a significant increase in amount of work that would be performed by legal counsel for approximately 300 applicants. Oversight assumes any additional work could be performed by the Processing Technician II and existing legal counsel.

Oversight assumes the division-wide expenses allocated to this proposal will result in an equal reduction in expenses allocated to other Boards within the Division of Professional Registration and will reduce costs allocated to other boards by the amount allocated to the Board of Registration for the Healing Arts Fund of approximately \$2,500 annually.

ASSUMPTION (continued)

Oversight notes the **Department of Health and Senior Services** has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for this organization.

| <u>FISCAL IMPACT - State Government</u> | FY 2021 (10 Mo.) | FY 2022 | FY 2023 |
|---|---------------------|---------|---------|
|---|---------------------|---------|---------|

BOARD OF REGISTRATION FOR THE HEALING ARTS FUND (0634)

Revenue - DCI (§§334.036 and 334.039) - Increase in registration fees when going from Assistant Physician to Physician license

| | | | |
|--|----------|----------|----------|
| | \$15,000 | \$15,450 | \$15,900 |
|--|----------|----------|----------|

Costs - DCI (§§334.036 and 334.039)

| | | | |
|---------------------------------|--------------------------|--------------------------|--------------------------|
| Personal service | (\$25,074) | (\$30,390) | (\$30,694) |
| Fringe benefits | (\$17,927) | (\$21,613) | (\$21,713) |
| Equipment and expense | (\$15,459) | (\$3,637) | (\$3,727) |
| PR transfer core | (\$2,420) | (\$2,481) | (\$2,543) |
| AGO and AHC costs | <u>(\$3,090)</u> | <u>(\$3,167)</u> | <u>(\$3,246)</u> |
| Total <u>Costs</u> - DCI | <u>(\$63,970)</u> | <u>(\$61,288)</u> | <u>(\$61,923)</u> |
| FTE Change - DCI | 1 FTE | 1 FTE | 1 FTE |

ESTIMATED NET EFFECT ON THE BOARD OF REGISTRATION FOR THE HEALING ARTS FUND

| | | | |
|--|--------------------------|--------------------------|--------------------------|
| | <u>(\$48,970)</u> | <u>(\$45,838)</u> | <u>(\$46,023)</u> |
|--|--------------------------|--------------------------|--------------------------|

Estimated Net FTE Change on the Board of Registration for the Healing Arts Fund

| | | | |
|--|-------|-------|-------|
| | 1 FTE | 1 FTE | 1 FTE |
|--|-------|-------|-------|

PROFESSIONAL REGISTRATION FEES FUND (0689)

Transfer from - DCI (§§334.036 and 334.039) - PR transfer core to Board of Registration for the Healing Arts Fund

| | | | |
|--|----------------|----------------|----------------|
| | <u>\$2,420</u> | <u>\$2,481</u> | <u>\$2,543</u> |
|--|----------------|----------------|----------------|

ESTIMATED NET EFFECT ON PROFESSIONAL REGISTRATION FEES FUND

| | | | |
|--|-----------------------|-----------------------|-----------------------|
| | <u>\$2,420</u> | <u>\$2,481</u> | <u>\$2,543</u> |
|--|-----------------------|-----------------------|-----------------------|

| <u>FISCAL IMPACT - Local Government</u> | FY 2021 (10 Mo.) | FY 2022 | FY 2023 |
|---|---------------------|------------|------------|
| | <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 provides a licensure track for an assistant physician to become a fully licensed physician. In order to be licensed as a physician, the assistant physician must: (1) Be licensed in good standing, and must not have been subject to any disciplinary action; (2) Have completed Step 3 of the United States Medical Licensing Examination in fewer than three attempts within a 7-year period of completing Steps 1 and 2; (3) Have completed 60 months of cumulative, full-time, hands-on active collaborative practice; (4) Have completed the following on-the-job, hand-on postgraduate training supervised by an accredited or board-certified preceptor within 60 months: (a) 600 total training hours in 5 required core training categories; and (b) 840 total training hours in 7 elective training categories, to be chosen by the assistant physician; (5) Have completed at least 100 hours of continuing medical education every 2 years; (6) Have completed a final research report for each core and elective training category; and (7) Complete bi-monthly didactic training reports to the collaborating physician.

During the post-graduate training, a collaborating physician must continue to oversee the assistant physician while not in postgraduate training. The postgraduate training does not pause the 60-month collaborative practice requirement.

Any assistant physician who meets the requirements of the bill and obtains licensure as a physician will be fully licensed as a physician and subject to all laws and regulations pertaining to physicians. (§§334.036 and 334.039)

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

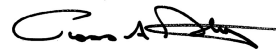
L.R. No. 4608-02
Bill No. HB 1977
Page 6 of 6
March 2, 2020

SOURCES OF INFORMATION

Department of Commerce and Insurance
Department of Health and Senior Services



Julie Morff
Director
March 2, 2020



Ross Strobe
Assistant Director
March 2, 2020