

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0957H.01I
Bill No.: HB 274
Subject: Hospitals; Health Care
Type: Original
Date: January 21, 2021

Bill Summary: This proposal creates provisions relating to trauma centers.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other State Funds</u>	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§190.244—Provisions relating to level II trauma centers

Officials from the **Department of Health and Senior Services (DHSS)** state §190.244 prevents any hospital that is the only hospital designated by the DHSS as a Level II Trauma Center from terminating the trauma services that allow it to maintain its designation without approval of the DHSS and the Governor. If a hospital violates the requirements of this section, it will incur a fine of \$1,000 for each day following receipt of notification in which trauma services were not offered.

Officials from the DHSS, Division of Regulation and Licensure (DRL) state hospitals relinquishing their Level II trauma center designation, must submit an application for removal to the DRL. In review of the application, DRL is to consider whether the facility has the financial resources to continue trauma services, if discontinuation of trauma services will impact the health and safety of residents in the county where the hospital is located, whether transportation of patients to another level II trauma center would be more than 10 minutes, and whether transportation times would significantly increase. In addition to reviewing the application, DRL must hold a hearing seeking input from the public and report their recommendation to the Governor.

DRL assumes no hospitals will terminate trauma services in violation of this section; therefore, no fines will be collected.

This legislation provides an unknown fiscal impact to DRL as it is unknown how many hospitals in the Level II category would decide to withdraw their designation and it is unknown how much personnel time and resources will be needed for each occurrence.

Oversight assumes the DHSS, DRL would have sufficient personnel and resources to initially cover costs associated with hospitals choosing to withdraw their Level II Trauma Designations as it appears the number of hospitals that would qualify under the proposed legislation is limited. If the number of hospitals is large enough the DHSS requires additional resources, additional resources may be requested through the appropriations process.

Officials from the **Office of the Governor (GOV)** state §190.244 requires that any hospital that is part of a larger network of hospitals licensed in Missouri and is the only hospital designated as a Level II Trauma Center in any county with a population not less than 350,000 cannot terminate trauma services without approval of DHSS and the Governor.

Prior to terminating services, the hospital must submit an application to DHSS for review, to include a public hearing among other considerations. Upon completion of the hearing, DHSS is to submit their recommendation to the Governor for review and final approval.

There should be no added cost to the Governor’s Office as a result of this measure.

Officials from the **City of St. Louis** assume the proposal will have no 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.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other cities and various county officials were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<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

The proposed legislation appears to have no direct fiscal impact.

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

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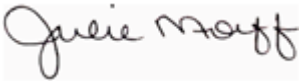
January 21, 2021

SOURCES OF INFORMATION

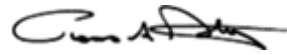
Department of Health and Senior Services

Office of the Governor

City of St. Louis



Julie Morff
Director
January 21, 2021



Ross Strobe
Assistant Director
January 21, 2021