

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1200H.01I
Bill No.: HB 398
Subject: Hospitals; Health Care Professionals; Victims of Crime
Type: Original
Date: March 4, 2021

Bill Summary: This proposal requires hospitals to adopt workplace violence prevention plans.

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
University of Missouri Health Care	(\$485,600)	(\$485,600)	(\$485,600)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$485,600)	(\$485,600)	(\$485,600)

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 or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	(Unknown, greater than \$26,400)	Unknown, greater than \$26,400)	Unknown, greater than \$26,400)

FISCAL ANALYSIS

ASSUMPTION

§197.750 – Requires hospitals to adopt workplace violence prevention plans

Officials from the **Hermann Area District Hospital** stated they had a Homeland Security Officer do a walkthrough of their facility to help determine gaps in their current plans.

Hermann Area District Hospital officials provided the Homeland Security Officer’s suggestions and an estimate for an additional cost of \$26,400.

Requirement	Avg. Cost	Total
Annual training of all healthcare workers	170 * 20 * 2 = \$7,080	\$6,800
Development of training and annual updates	Initial \$500 Annual \$200	\$500
Delivery of Education	Someone will spend an estimate of 350 hours providing training using the average salary/hour.	\$7,000
A system for responding to and investigating violent attacks	Revisions to incident tracking - \$400 Additional collection, filing, storage - \$200	\$600
A system to annually assess and improve	HR/Leadership Team - \$800-1000	\$1,000
Known security updates	\$6,000	\$10,000
If forced to implement electronic patient classification system; 24/7 security personnel; etc.	>\$80,000 annually	
Document and retain for five years any report of violence regardless of if injury occurred	\$500	\$500
	Total*	\$26,400

* A requirement that the plan be in effect at all times in all patient care units, including inpatient and outpatient settings and clinics on the hospital’s license.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the annual costs provided by the Hermann Area District Hospital for fiscal note purposes.

Officials from the **University of Missouri Health Care (UMHC)** have determined that as written, the proposed legislation will create an annual expense of approximately \$485,600.

Oversight notes, in response to similar legislation from 2020 (SB 533), UMHC stated the costs provided above includes education and training, additional needs for reporting and investigating violent incidents (requirements for reports sent to Department of Health and Senior Services), and additional staff for timely processing and reporting. The majority of the cost is education and training.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the costs provided by University of Missouri Health Care for fiscal note purposes.

Oversight notes the State of Missouri has approximately 35 hospitals that report ownership-type as: County/City/Community, Hospital Districts, or Stated-owned. For fiscal note purposes, Oversight assumes costs to local governments to be (Unknown, greater than \$26,400) annually as other publically-owned hospitals will be required to adopt workplace violence prevention plans.

Officials from the **Department of Health and Senior Services (DHSS)** state this proposed legislation requires hospitals to adopt a workplace violence prevention plan, document and retain for a period of five years any violent incidents against a hospital employee, and report violent incidents to the DHSS, Division of Regulation and Licensure (DRL). Further, this legislation requires DRL to send a report containing information on violent incidents at hospitals to the General Assembly and Governor. This report is to be available before January 1, 2023 and each year thereafter.

DRL is responsible for conducting inspections of hospitals. Changing regulations, reviewing hospital records, and producing requested reports are within the normal duties for DRL; minimal time and expense will be required to conduct the requirements of the proposed legislation.

The DHSS anticipates being able to absorb these costs. However, until the FY22 budget is final, the department cannot identify specific funding sources.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect the no fiscal impact assumed by DHSS for fiscal note purposes.

Officials from the **Department of Mental Health (DMH)** 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 for DMH.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other hospitals 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
UNIVERSITY OF MISSOURI HEALTH CARE			
Costs - University of Missouri Health Care (§197.750) - implementation of a workplace violence prevention plan	<u>(\$485,600)</u>	<u>(\$485,600)</u>	<u>(\$485,600)</u>
ESTIMATED NET EFFECT ON THE UNIVERSITY OF MISSOURI HEALTH CARE	<u>(\$485,600)</u>	<u>(\$485,600)</u>	<u>(\$485,600)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
LOCAL GOVERNMENTS - HOSPITALS			
Costs - Hospitals (§197.750) - Workplace violence prevention plan development and implementation	<u>(Unknown, greater than \$26,400)</u>	<u>(Unknown, greater than \$26,400)</u>	<u>(Unknown, greater than \$26,400)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>(Unknown, greater than \$26,400)</u>	<u>(Unknown, greater than \$26,400)</u>	<u>(Unknown, greater than \$26,400)</u>

FISCAL IMPACT – Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

HWC:LR:OD

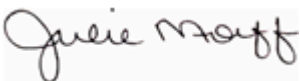
This bill requires hospitals to adopt workplace violence prevention plans to protect health care employees and personnel before August 28, 2022. The plan must be in effect at all times in all patient care units and the hospital must give annual training for employees who provide direct care to patients. The hospital must also have a system for responding to violent incidents and annual assessment to improve upon factors that may contribute to workplace violence. The hospital cannot intentionally prevent an employee from seeking assistance from local law enforcement when a violent incident occurs.

The hospital must keep written records of violent incidents against hospital employees for five years and must report any such violent incidents to the Department of Health and Senior Services. If the incident resulted in an injury, involved the use of a firearm or other dangerous weapon, or presented an urgent or emergent threat to the welfare, health, or safety of hospital personnel, the hospital shall report the incident to the Department within 24 hours. All other incidents of violence shall be reported within 72 hours. The Department must then submit an annual report to the General Assembly and Governor before January 1, 2023 and annually thereafter. (§197.750)


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 Mental Health
Hermann Area District Hospital
University of Missouri System



Julie Morff
Director
March 4, 2021



Ross Strobe
Assistant Director
March 4, 2021