

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4935-01
Bill No.: HB 2613
Subject: Professional Registration and Licensing
Type: Original
Date: March 14, 2016

Bill Summary: This proposal establishes the Missouri Patient Safety in Radiologic Imaging Act.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Healing Arts Fund*	\$0	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

*Transfer in from General Revenue to offset Fund Expenses.

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Healing Arts Fund	3	2	2
Total Estimated Net Effect on FTE	3	2	2

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 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

In response to a similar proposal, HB 1604, officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** stated that the legislation requires the Board of Registration for the Healing Arts to license radiologist assistants and radiological technicians. However, since there is no authority to charge fees for this licensure, the board will need to receive funding from General Revenue in order to license these individuals.

According to DIFP, based on projections from the Missouri Economic Research and Information Center, it is estimated that 6,584 individuals in the state of Missouri will be required to be licensed. In addition, a 3% growth rate has been estimated.

DIFP is requesting 2 Processing Technicians II (\$26,652/each annually) to provide technical support, process applications for licensure, and respond to inquiries related to the licensure law and/or rules and regulations. In addition, 1 Legal counsel (\$55,500/annually) is needed to work with establishing rules for licensure and enforcement, as well as answering questions regarding applications and litigating cases before the board and the Administrative Hearing Commission (AHC). Due to the anticipated workload of legal counsel with the implementation of assistant physician licensure, it is believed additional legal counsel will be needed to assist the board in promulgating rules for the licensure of radiologist assistants and radiological technologists, reviewing applications for licensure and litigating cases before the AHC.

Printing and postage expenses for the first year include printing of rules, applications, letterhead and envelopes, as well as costs for mailings associated with initial licensure. Subsequent year's printing and postage estimate is based on a board of similar size, the Veterinary Board.

ASSUMPTION (continued)

Each of the 8 board member receives \$70.00 per diem per day of each meeting. Meetings usually last 2 days each, there are 4 annually. (8 members x 4 meetings x 2 days = 64 days per diem. 64 days X \$70 = \$4,480 annually). In addition, each board member receives \$249 per meeting. (\$249 X 8 members X 4 meetings = \$7,968). During the first year of implementation costs are calculated for the design, program and implementation of the licensure program for new boards. (30 hours X \$18 = \$540).

The legislation does not provide any guidelines for processing, responding to, and investigating complaints and gives no authority to the board to handle complaints. Therefore, no enforcement costs have been figured for this fiscal note.

Boards within the division incur division-wide expenses based on specific board licensee averages, in addition to the department and Office of Administration cost allocations:

- \$9,636 Maintenance of Licensing System
 - \$3,935 Division Operating Expenses
 - \$17,708 Division Personal Service Expenses
- Total Additional Expenses: \$31,279

This proposal does not set up a source of revenue. It is assumed that without the authority to charge fees to these licensees, that funding would need to come from General Revenue to pay for the expenses related to licensure.

Oversight notes that this proposal does authorize fees and does have provisions for handling complaints. For purposes of this fiscal note, Oversight will assume fees will be deposited in the Board of Healing Arts Fund and that those fees will be set at a level which will cover Division of Professional Registration administrative costs.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
HEALING ARTS FUND			
<u>Income - DIFP</u>			
Fees (\$334.1033)	\$293,474	\$147,343	\$149,874
<u>Costs- DIFP</u>			
Salaries	(\$90,670)	(\$53,837)	(\$54,375)
Fringe Benefits	(\$50,001)	(\$34,892)	(\$35,039)
Equipment and Expense	(\$121,524)	(\$27,335)	(\$27,597)
Other Fund Costs	(\$31,279)	(\$31,279)	(\$32,862)
<u>Total Costs - DIFP</u>	<u>(\$293,474)</u>	<u>(\$147,343)</u>	<u>(\$149,874)</u>
FTE Change - DIFP	3 FTE	2 FTE	2 FTE

ESTIMATED NET EFFECT ON HEALING ARTS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Estimated Net FTE Change on the Healing Arts Fund	3 FTE	2 FTE	2 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Radiology practitioners and technologists will now be required to be licensed by the State Board of Registration for the Healing Arts in order to practice in their small business.

FISCAL DESCRIPTION

This proposal establishes the Missouri radiologic imaging and radiation therapy board of examiners which will be responsible for creating licensure standards. The board will have the authority to examine and determine the qualifications and fitness of applicants for licensure, renewal of licensure and reciprocal licensure. The board will have the authority to issue, renew, deny, suspend or revoke licenses, as well as carry out disciplinary actions.

FISCAL DESCRIPTION (continued)

No person can perform radiologic imaging or administer radiation therapy procedures on humans without being licensed by the board. A person licensed under this bill can only use radioactive substances or equipment emitting ionized radiation or magnetic resonance for radiologic imaging by prescription. Radiologist assistants shall not interpret images, make diagnoses, or prescribe medications or therapies. Radiologist assistants may administer prescribed drugs as directed by the supervising radiologist or radiologist designee. Radiologist assistants may communicate and document initial clinical and imaging observations or procedure details only to the radiologist for the radiologist's use.

This bill establishes minimum requirements for licensure, with additional criteria for applicants for nuclear medicine advanced associate and radiologists assistant and additional restrictions for limited x-ray machine operators.

A program approved by the board in radiography, radiation therapy, nuclear medicine technology, magnetic resonance technology, or limited x-ray machine operation may be offered by a medical facility or educational institution. The program shall be affiliated with one or more hospitals or clinics approved by the board to provide the requisite clinical education. Any person in violation of this law is guilty of a class A misdemeanor. The board may also assess a civil penalty not in excess of \$200 for violations.

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 Insurance, Financial Institutions and Professional Registration



Mickey Wilson, CPA
Director
March 14, 2016

Ross Strope
Assistant Director
March 14, 2016