

COMMITTEE ON LEGISLATIVE RESEARCH  
 OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2859-01  
Bill No.: HB 1923  
Subject: Nurses; Hospitals; Medical Procedures and Personnel  
Type: Original  
Date: February 19, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</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 LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
 This fiscal note contains 4 pages.

**FISCAL ANALYSIS**

ASSUMPTION

Officials from the **Office of State Courts Administrator** assume the proposed legislation will not fiscally impact their organization.

Officials from the **Department of Health and Senior Services (DOH)** provided the following assumptions regarding the proposed legislation:

It is estimated one additional Health Facility Nursing Consultant would be required to conduct the annual audits of at least seven percent of all hospitals to check for compliance with the provisions of this legislation. The DOH estimates total cost associated with this provision of the proposed legislation to be \$72,494 for FY 03, \$83,939 for FY 04, and \$86,105 for FY 05.

It is difficult to determine the number of calls that would be received on the toll free number reporting violations, but it is estimated the number would be minimal; therefore, no cost has been included.

**Oversight** assumes the DOH could absorb the duties of checking hospital nurse staffing plans for compliance with existing staff. However, if numerous violations are found or the number of compliance reviews increase, the DOH may need to request additional FTE through the appropriations process.

Officials from **Barton County Memorial Hospital, Cass Medical Center, Cooper County Memorial Hospital, Excelsior Springs Medical Center, Lincoln County Memorial Hospital, Pemiscot Memorial Hospital, Phelps County Regional Medical Center, Ray County Memorial Hospital, Samaritan Memorial Hospital, Ste. Genevieve County Memorial Hospital, Audrain Medical Center, Baptist Medical Center, Barnes-Jewish Hospital - South, Boone Hospital Center, Capital Region Medical Center, Children's Mercy Hospital, Christian Hospital Northeast-Northwest, Cox Medical Center North, Des Peres Hospital; Independence Regional Health Center, Northeast Regional Medical Center - Jefferson, Research Medical Center, and South Pointe Hospital** did not respond to our request for a statement of fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005

FISCAL IMPACT - Local Government

FY 2003  
(10 Mo.)

FY 2004

FY 2005

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

In its main provisions, this bill: (1) Requires every licensed hospital to ensure that each department, unit, or clinical area within the facility is sufficiently staffed with qualified direct care nursing staff; (2) Requires every licensed hospital to develop, implement, and annually submit to the Department of Health and Senior Services, a written hospital-wide staffing plan for nursing services which is certified by the chief executive officer and the director of nursing services of the facility; (3) Requires licensed hospitals to ensure that direct care nursing staff have input in preparing, implementing, monitoring, and evaluating the nursing staffing plan; (4) Requires licensed hospitals to periodically evaluate the nursing staffing plan for effectiveness and to revise the plan if necessary; (5) Contains the required components for the hospital nursing staffing plan; (6) Requires that the skill mix in the nursing staffing plan assure that registered nurses perform clinical nursing duties and prohibits unlicensed nursing assistants from performing clinical nursing duties which are performed by licensed registered nurses; (7) Requires licensed hospitals to maintain and post a list of qualified on-call nurses and nursing services; (8) Allows the department to grant variances to the hospital's nursing staffing plan based on a specified procedure; (9) Requires licensed hospitals to implement the nursing staffing plan unless a variance is granted. Licensed hospitals are not precluded from establishing higher direct care nurse-to-patient staffing ratios; (10) Contains provisions specifying the assignment of nurses with an appropriate license and experience for the purpose of complying with the staffing plan. Nurses performing non-patient care duties are prohibited from inclusion in the count of the direct care nursing staff; (11) Requires licensed hospitals to make reasonable efforts to obtain qualified nurses to fill staff shortages before requiring a registered nurse on duty to work overtime; (12) Contains provisions pertaining to the scheduling of nursing shifts with certain exceptions which include a declared national or state emergency; (13) Requires licensed hospitals to adopt and disseminate to direct care nursing staff a written policy which includes a work assignment provision and a refusal of continual duty assignment provision; (14) Allows the department to suspend or revoke a hospital's license for violating provisions of the bill. The department is also required to conduct annual unannounced visits of licensed hospitals; (15) Prohibits licensed hospitals from taking retaliatory action against nurses; (16) Contains procedures which allow nurses to bring a cause of action against a licensed hospital for retaliatory action; and (17) Requires hospitals to post a notice in a conspicuous location which summarizes major sections of the bill. A violation of this provision can result in a civil penalty not to exceed \$500 for each violation.

DESCRIPTION (continued)

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

Office of State Courts Administrator  
Department of Health and Senior Services  
Department of Health and Senior Services

**NOT RESPONDING: Barton County Memorial Hospital, Cass Medical Center, Cooper County Memorial Hospital, Excelsior Springs Medical Center, Lincoln County Memorial Hospital, Pemiscot Memorial Hospital, Phelps County Regional Medical Center, Ray County Memorial Hospital, Samaritan Memorial Hospital, Ste. Genevieve County Memorial Hospital, Audrain Medical Center, Baptist Medical Center, Barnes-Jewish Hospital - South, Boone Hospital Center, Capital Region Medical Center, Children's Mercy Hospital, Christian Hospital Northeast-Northwest, Cox Medical Center North, Des Peres Hospital; Independence Regional Health Center, Northeast Regional Medical Center - Jefferson, Research Medical Center, and South Pointe Hospital**



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