

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3154-03
Bill No.: HB 1913
Subject: Ambulances and Ambulance Districts; Boards, Commissions, Committees, Councils; Health Care; Medical Procedures and Personnel
Type: Original
Date: March 18, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$291,311	\$594,378	\$612,477
State Board of Emergency Medical Services*	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$291,311	\$594,378	\$612,477

* **Subject to Appropriations**

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

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	(Unknown to exceeding \$250,000)	(Unknown to exceeding \$500,000)	(Unknown to exceeding \$500,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Governor, Office of State Treasurer and Department of Revenue** assume the proposed legislation will not fiscally impact their organization.

Officials from the **Office of Administration (COA) - Administrative Hearing Commission (AHC)** stated the AHC anticipates that this legislation will not significantly alter its caseload. However, if other similar bills also pass, there will be a fiscal impact. If there are more cases, or more complex cases, there could be a fiscal impact.

Officials from the **COA - Division of Budget and Planning (BAP)** stated the proposed legislation should not result in additional costs or savings to the BAP. This proposed legislation would increase total state revenue.

Officials from the **Department of Health and Senior Services (DOH)** stated the DOH allocation of general revenue funds for licensing the entities and individuals described in the proposed legislation would result in a cost savings of \$400,428 in personal services (17 FTE) and \$38,000 in equipment and expenses. The allocation of preventive health services block grant funds for these activities would be redirected to other programs within the DOH.

Officials from the **Taney County Ambulance District (Taney Co.)** stated with downsizing of the Bureau of Emergency Medical Services from the DOH, the cost for licensing and investigations will need to come from the ambulance services and Emergency Medical Technicians. Taney Co.'s service cost would be over \$1,000 per year. Taney Co. estimated the statewide costs to ambulance districts to be over \$500,000 annually.

Officials from the **Department of Economic Development - Division of Professional Registration (DED-PR)** stated the Advisory Council on Emergency Medical Services currently exists within the Department of Health and Senior Services. Therefore, the DED-PR assumes that the necessary appropriation amount will be transferred from the Department of Health and Senior Services to the newly created State Board. The DED-PR also assumes that this appropriation amount will be sufficient to include, at a minimum, the necessary personal service, expense and equipment and FTE to cover the board's expenses. Since this proposal establishes that the board shall act **independent** of the division, no costs have been estimated for any of the services currently provided by the division to all of the other licensing boards within the division (i.e. accounting, cash receiving, budgeting, licensing system, renewal processing, MIS, etc.). It is assumed that the board will request any additional personal service, expense & equipment and/or FTE necessary to fully implement this licensure proposal.

ASSUMPTION (continued)

Officials from the **Office of the Secretary of State (SOS)** state this bill creates the Board of Emergency medical Services and the State Board of Emergency Medical Services Fund. The

Board of Emergency Medical Services will promulgate rules to implement this bill. Based on experience with other divisions, the rules, regulations and forms issued by the Board of Emergency Medical Services could require as many as 48 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$2,952 [(48 pp x \$27) + (72 pp x \$23)].

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from **St. Louis County, St. Genevieve County memorial Hospital; Newton County Ambulance District, St. Charles County Ambulance District, Valle Ambulance District, Mid-Mo Ambulance District and Stoddard County Ambulance District** did not respond to our request for a statement of fiscal impact.

Oversight assumes the State Board of Emergency Medical Services would charge licensing and other fees in an amount sufficient to cover operating costs and revenues and expenditures would net to \$0.

The proposed legislation would result in an increase to Total State Revenue.

FISCAL IMPACT - State Government

FY 2003
(6 Mo.)

FY 2004

FY 2005

**STATE BOARD OF EMERGENCY
MEDICAL SERVICES FUND**

<u>FISCAL IMPACT - State Government</u>	FY 2003 (6 Mo.)	FY 2004	FY 2005
<u>Income - Office of State Treasurer</u>			
Investment Income on Unexpended Appropriations*	Unknown	Unknown	Unknown
<u>Income - Department of Revenue</u>			
Licensing Fees	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
Total <u>Income</u> - State Board of Emergency Medical Services Fund	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>
<u>Costs - State Board of Emergency Medical Services</u>			
Personnel, Fringe Benefits and Equipment and Expenses	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON STATE BOARD OF EMERGENCY MEDICAL SERVICES FUND*	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

* Subject to Appropriations

GENERAL REVENUE FUND

<u>Savings - Department of Health and Senior Services</u>			
Personal Service Costs (17 FTE)	\$200,214	\$410,439	\$420,670
Fringe Benefits	\$72,097	\$147,799	\$151,493
Equipment and Expenses	\$19,000	\$39,140	\$40,314
Total <u>Savings</u> - Department of Health and Senior Services	<u>\$291,311</u>	<u>\$597,378</u>	<u>\$612,477</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$291,311</u>	<u>\$594,378</u>	<u>\$612,477</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (6 Mo.)	FY 2004	FY 2005
AMBULANCE DISTRICTS			
<u>Costs - Ambulance Districts</u>			
Licensing and investigations costs	<u>(Unknown to exceeding \$250,000)</u>	<u>(Unknown to exceeding \$500,000)</u>	<u>(Unknown to exceeding \$500,000)</u>

FISCAL IMPACT - Local Government

	FY 2003 (6 Mo.)	FY 2004	FY 2005
ESTIMATED NET EFFECT ON AMBULANCE DISTRICTS	<u>(Unknown to exceeding \$250,000)</u>	<u>(Unknown to exceeding \$500,000)</u>	<u>(Unknown to exceeding \$500,000)</u>

FISCAL IMPACT - Small Business

The proposed legislation may negatively impact small business ambulance services and stretcher van services depending on the actions of the State Board. The estimated impact is unknown.

DESCRIPTION

This bill establishes the State Board of Emergency Medical Services within the Division of Professional Registration. The board replaces the State Council on Emergency Medical Services. The purpose of the board will be to supervise, regulate, and license all ambulance services, stretcher vans, and emergency medical service personnel. Currently, the Department of Health and Senior Services regulates and licenses ambulance services. The board is authorized to hire necessary staff. The board is funded by ambulance license fees established by the board. The funds are deposited in the State Board of Emergency Medical Services Fund created in the bill. The board consist of nine members appointed by the Governor. The bill outlines the term of office and qualifications of the board. The bill also: (1) Expands causes for which a complaint may be filed with the Administrative Hearing Commission against an ambulance service; (2) Forbids relicensure of any individual whose license has been revoked twice within a five-year period; (3) Requires the board to submit a copy of certain licensee settlement agreements to the Administrative Hearing Commission; and (4) Requires any investigation into violation of ambulance laws to be completed within six months. The bill has an effective date of January 1, 2003.

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
Office of Administration -
 Administrative Hearing Commission
 Division of Budget and Planning
Office of the Governor
Taney County Ambulance District
Department of Economic Development - Division of Professional Registration

L.R. No. 3154-03
Bill No. HB 1913
Page 6 of 6
March 18, 2002

Department of Revenue
Office of Secretary of State

NOT RESPONDING: St. Louis County, St. Genevieve County memorial Hospital; Newton County Ambulance District, St. Charles County Ambulance District, Valle Ambulance District, Mid-Mo Ambulance District and Stoddard County Ambulance District

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director
March 18, 2002