

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4468-01
Bill No.: HB 2082
Subject: Health Care; Health Dept.; Hospitals; Nursing and Boarding Homes.
Type: Original
Date: March 18, 2002

FISCAL SUMMARY

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

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	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DOH)** stated section 197.305(6)(a) requires the DOH to certify to the general assembly that all health care facilities and long-term care beds in a hospital have maintained an average statewide occupancy rate of 90% or higher of all licensed beds for four quarters immediately preceding such certification. Since the DOH already collects the occupancy rate data, we believe that even though the data must be analyzed quarterly to determine if a certification is needed, this process can be handled by existing staff.

Officials from the **Missouri Health Facilities Review Committee** assume the proposed legislation will not fiscally impact their organization.

Officials from the **Department of Social Services - Division of Medical Services** stated the bill will not have a fiscal impact on the fiscal note reporting period of FY 03 through FY 05. The statewide average occupancy as of September 2001 was 77%.

<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
	<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.

DESCRIPTION

This bill revises provisions pertaining to the Missouri Certificate of Need Law. The bill: (1) Revises the definition for "expenditure minimum" by extending the zero expenditure minimum amount to a specified period in which the Division of Health Standards and Licensure certifies that beds in specified licensed long-term care facilities and licensed hospitals are occupied at a statewide rate of at least 90%; (2) DESCRIPTION (continued)

Repeals a provision in Section 197.317, RSMo, allowing the Missouri Facilities Review Committee to issue a certificate of need for additional beds after January 1, 2003. This section

now applies when the division certifies that licensed health care facilities have maintained a 90% or greater occupancy rate for beds; and (3) Repeals the expiration date contained in subsection 3 of Section 197.318, pertaining to an expenditure minimum amount applied to Section 197.317. The provisions of this subsection will apply to the year in which the division certifies that specified licensed health care facilities have maintained a statewide occupancy rate of at least 90% in specified beds.

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
Missouri Health Facilities Review Committee
Department of Social Services



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Acting Director
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