

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0545-01
Bill No.: HB 156
Subject: Abortion; Health Care; Health Care Professionals; Health Department
Type: Original
Date: February 4, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri Department of Conservation**, the **Department of Economic Development**, the **Department of Insurance**, the **Missouri Consolidated Health Care Plan**, and the **Department of Social Services** assume the proposed legislation would not fiscally impact their agencies.

Officials from the **Department of Health and Senior Services (DOH)** assume that the DOH would develop model language for the form and disseminate to providers who would incorporate the language into their own forms. Under this assumption, the DOH could absorb any related costs.

Officials from the **Department of Highways and Transportation (DHT)** also responded on behalf of the **Missouri State Highway Patrol's** Medical Plan. The DHT officials stated this legislation pertains to requirements for physicians in the performance of an abortion and will have no impact to MHTC or the Highway & Patrol Medical Plan.

Officials from the **State Treasurer's Office (STO)** state should this proposal pass the STO would be required to accept the deposit of cash or securities. Therefore STO states one

ASSUMPTION (continued)

Accountant I with the corresponding expense and equipment would be needed to perform duties such as monitoring securities, issuing the required certificates, etc. STO estimates total costs to be \$40,320 in FY 04, \$44,884 in FY 05 and \$46,007 in FY 06.

Oversight assumes most physicians will maintain medical malpractice insurance in excess of that required in this proposal. Therefore, **Oversight** assumes that only a few physicians would be depositing cash or bonds with the State Treasurer's Office and for those few physicians, STO could absorb the extra duties.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
	<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 proposal revises the provision pertaining to informed consent for an abortion.

Except in the case of a medical emergency, the proposal prohibits a person from performing or inducing an abortion unless the treating physician has conferred with the patient and discussed the indicators and contra-indicators of the proposed abortion or drug or drugs used for the abortion, considering a woman's medical history and medical condition. The conference between the treating physician and the patient must occur at least 24 hours before performing or inducing an abortion.

For an abortion induced by drug or drugs, one conference between the treating physician and the patient must occur 24 hours prior to the writing or communication of the first prescription for a

drug or drugs which are used to induce an abortion.

Description (continued)

Prior to or during the conference, the patient is required to be screened for risk factors, which include any physical, psychological, or situational factors which would predispose the patient to, or increase the risk of, experiencing one or more adverse physical, emotional, or other health reactions to an abortion or drug or drugs used.

The proposal requires that at the end of the conference, the treating physician and the patient are required to sign a written statement certifying that the screening and discussion have occurred and that the woman gave her informed consent freely and without coercion. All executed statements will be maintained in the patient's medical file which are subject to the confidentiality laws of Missouri.

The Department of Health and Senior Services is required to develop a model form that will be used by treating physicians. In the absence of the model form, treating physicians are not exempt from the requirements of the proposal.

The proposal also requires persons performing abortions to furnish and maintain proof of financial responsibility to the department. Proof of financial responsibility is defined as one of the following:

- (1) A written certificate from an insurance carrier certifying that a medical malpractice insurance policy is in effect, with limits of at least \$5,000 per occurrence and \$1 million per year in the aggregate;
- (2) A bond of a surety company conditioned for payments in the amount of at least \$5,000 per occurrence and \$1 million per year in the aggregate; or
- (3) A certificate from the State Treasurer that the individual named in the certificate has deposited \$500,000 in cash or bonds with a fair market value of \$500,000 with the State Treasurer. The deposit of cash or bonds must be accompanied by evidence that no unsatisfied judgments exist against the depositor.

Individuals who provide proof of financial responsibility through a medical malpractice insurance policy or a surety bond must file a certificate annually with the department. The certificate must indicate that the policy or bond remains in force and effect without any decrease in coverage or amount of bond below the statutory minimums. Insurers and sureties cannot

cancel insurance policies or surety bonds except after giving 10 days' notice to the director of the department. Depositors cannot withdraw deposits with the State Treasurer without furnishing proof of financial responsibility in the form of a malpractice insurance policy or a surety bond.

Description (continued)

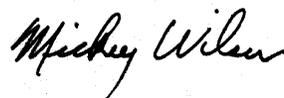
The proposal prohibits abortion facilities and hospitals from employing the services of a person to perform abortions if the person has not furnished or maintained proof of financial responsibility.

The provisions dealing with proof of financial responsibility become effective January 1, 2004.

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

Missouri Department of Conservation
Department of Economic Development
Department of Insurance
Missouri Consolidated Health Care Plan
Department of Social Services
Department of Highway and Transportation
Missouri State Highway Patrol
State Treasurer's Office



Mickey Wilson, CPA
Director
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