

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1670-01
Bill No.: HB 534
Subject: Children and Minors; Health Care; Health Care Professionals; Health Department;
 Medicaid; Medical Procedures and Personnel; Physicians
Type: Original
Date: March 12, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
General Revenue*	(\$106,655)	(\$111,454)	(\$116,470)
Total Estimated Net Effect on General Revenue Fund	(\$106,655)	(\$111,454)	(\$116,470)

***SUBJECT TO APPROPRIATIONS**

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 4 pages.

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

*Subject to appropriations. Income and expenses of approximately \$175,000 would net to \$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 **Department of Economic Development - Division of Professional Registration (DPS)** state having reviewed the proposed legislation and having sought the conclusion of the appropriate board(s), the DPS is of the opinion that this proposal has no fiscal impact to the DPS.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** state coverage for medically therapeutic circumcisions is the current policy being administered by the DMS. The DMS states this proposal allows for coverage for non therapeutic, elective or routine circumcisions in a nondiscriminatory manner that does not provide a preference based on religious beliefs or practices. The DMS states the cost for these types of circumcisions would be \$273,898 for FY 04, \$286,223 for FY 05 and \$299,103 for FY 06 with a 4.5% medical care inflation forecast applied each year. The DMS states past experiences with court cases involving services subject to appropriation have resulted in rulings requiring the state to pay regardless of appropriation or available funding.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
GENERAL REVENUE			
<u>Costs</u> - Department of Social Services - Division of Medical Services			
Program costs*	<u>(\$106,655)</u>	<u>\$111,454)</u>	<u>(\$116,470)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$106,655)</u>	<u>(\$111,454)</u>	<u>(\$116,470)</u>

* Subject to appropriations

FEDERAL

<u>Income</u> - Department of Social Services - Division of Medical Services			
Federal Assistance	\$167,243	\$174,769	\$182,633
<u>Costs</u> - Department of Social Services - Division of Medical Services			
Program costs*	<u>(\$167,243)</u>	<u>(\$174,769)</u>	<u>(\$182,633)</u>
ESTIMATED NET EFFECT ON FEDERAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

*Subject to appropriations

<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

Effective September 1, 2003, this proposal requires the Division of Medical Services in the Department of Social Services to provide coverage through the state Medicaid Program for medically therapeutic circumcsions.

Payment for medically therapeutic circumcsions will be made if two licensed physicians document in writing that a disease or abnormality exists which requires a medically necessary therapeutic circumcsion.

Subject to appropriations or sufficient moneys becoming available under the state Medicaid Program, the division is also required to provide coverage for non-therapeutic or elective circumcsions in a non-discriminatory manner that does not give preference to religious beliefs or practices.

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 Social Services
Department of Economic Development -
Division of Professional Registration



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MARCH 12, 2003