

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3429-02
Bill No.: Truly Agreed To and Finally Passed SCS for SB 974
Subject: Medical Malpractice Liability
Type: Original
Date: May 24, 2004

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| | | | |
| Total Estimated Net Effect on General Revenue Fund | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON STATE FUNDS | | | |
|---|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> 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 2005 | FY 2006 | FY 2007 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON LOCAL FUNDS | | | |
|--|----------------|----------------|----------------|
| FUND AFFECTED | FY 2005 | FY 2006 | FY 2007 |
| Local Government | \$0 | \$0 | \$0 |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services, Department of Elementary and Secondary Education, Department of Mental Health, Department of Insurance, Department of Social Services,** and the **Department of Corrections** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **Office of State Courts Administrator** assume the proposed legislation would have no fiscal impact on the courts.

Officials from the **Office of Attorney General (AGO)** assumes this provision will create a fiscal impact because claims for malpractice or liability may be brought against the State Legal Defense Fund. The AGO is responsible for defending claims against the State Legal Defense Fund, and it is unclear how many liability or malpractice claims may be filed in proportion to the low or no-costs services provided by the bill. As a result, AGO assumes costs are unknown, but under \$100,000.

ASSUMPTION (continued)

Oversight assumes the AGO could absorb the cost of the proposed legislation within existing resources. If the AGO experiences an increase that would require additional funding, the AGO could request the funding through the appropriation process.

| <u>FISCAL IMPACT - State Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2005 (10 Mo.) | FY 2006 | FY 2007 |
|---|---------------------|------------|------------|
| | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

FISCAL IMPACT - Small Business

Small businesses providing free medical evaluations or screenings could be fiscally impacted by the proposed legislation.

DESCRIPTION

The proposed legislation would modify the State Legal Expense Fund. Physicians licensed pursuant to Chapter 334, RSMo, who provide free health screenings in any setting without receiving compensation, would be included in the list of persons for whom the State Legal Expense Fund is available.

The proposal would also clarify that malpractice insurance obtained by or on behalf of any physician, dentist, physician assistant, dental hygienist, or nurse whose services are volunteered would not be considered available to pay any portion of a judgment or claim for which the State Legal Expense Fund is liable.

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 Insurance
Office of Attorney General
Department of Elementary and Secondary Education
Department of Mental Health
Department of Corrections
Department of Social Services



Mickey Wilson, CPA
Director
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