

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4620-01
Bill No.: SB 1255
Subject: Health Care; Health Care Professionals; Hospitals; Nurses
Type: Original
Date: March 19, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	\$353,198	(\$52,689)	(\$54,126)
Total Estimated Net Effect on General Revenue Fund	\$353,198	(\$52,689)	(\$54,126)

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 5 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 Economic Development - Division of Professional Registration, Department of Mental Health, Department of Social Services, Missouri Department of Transportation, Missouri Consolidated Health Care Plan, Department of Insurance, Missouri Department of Conservation, and Department of Public Safety - Missouri State Highway Patrol** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Health and Senior Services (DOH)** state the DOH Bureau of Narcotics and Dangerous Drugs (BNDD) has the responsibility for registering entities with controlled substance authority, as well as conducting education of those entities with regard to controlled substance record keeping and security requirements and then enforcing those requirements. The BNDD currently has 24,306 registrants (as of 2/18/04). Enforcement activities are conducted by five Investigator IIs and one Investigator III. (24,306/6 = 4,051 registrants per investigator.)

According to the Missouri State Board of Nursing, there are 4,470 advanced practice nurses in the state of Missouri. The BNDD currently registers only 2 advanced practice nurses, to allow them to **dispense** controlled substances in the absence of their collaborative practice physician. Therefore, there are potentially 4,468 advanced practice nurses that will become BNDD registrants.

ASSUMPTION (continued)

One additional Investigator II is being requested to register, educate and enforce the new requirements. Standard expense and equipment costs, as well as additional travel costs will be necessary since the Investigator will have to cover a broad geographic area within the state.

State General Revenue will be collected as fees paid by these individuals for registration. The registration fee is \$90 for a three-year registration. The average percent increase in registrants over the past three years is approximately 1.5%.

Accordingly, the DOH estimates 4,535 registrants will pay fees of \$408,150 in FY 05 (4,468 registrants X 1.5% growth X \$90); fees of \$6,120 will be received in FY 06 [(4,535 X 1.5% = 68 new registrants) X \$90 fee]; and fees of \$6,210 will be received in FY 07 [(4,535 + 68) X 1.5% = 69 new registrants X \$90].

DOH notes that in FY 08, revenue would be approximately \$414,270 as FY 05 registrants would be required to renew their registrations and, continuing to assume a 1.5% growth factor, there would be approximately 70 new registrants.

The DOH estimates revenues less expenses to the General Revenue Fund of \$344,959 in FY 05 and costs exceeding revenues of \$62,651 for FY 06 and \$64,351 for FY 07.

Oversight has, for fiscal note purposes only, changed the starting salary for the Investigator II to correspond to the second step above minimum for comparable positions in the state's merit system pay grid. This decision reflects a study of actual starting salaries for new state employees for a six month period and the policy of the Oversight Subcommittee of the Joint Committee on Legislative Research. In addition, **Oversight** assumes additional rental space for one new full-time employee will not be necessary.

This proposal will result in an increase in Total State Revenue.

FISCAL IMPACT - State Government

FY 2005
(10 Mo.)

FY 2006

FY 2007

GENERAL REVENUE FUND

Income - Department of Social Services

Registration fees	\$408,150	\$6,120	\$6,210
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Costs - Department of Health and Senior Services

Personal service costs (1 FTE)	(\$27,316)	(\$33,599)	(\$34,439)
Fringe benefits	(\$11,309)	(\$13,910)	(\$14,258)
Equipment and expense	(\$16,327)	(\$11,300)	(\$11,639)

Total <u>Costs</u> Department of Social Services	(\$54,952)	(\$58,809)	(\$60,336)
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ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$353,198</u>	<u>(\$52,689)</u>	<u>(\$54,126)</u>
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<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

This proposal could impact small business physicians' offices that employ advanced practice nurses.

DESCRIPTION

This proposal authorizes an advanced practice nurse to prescribe schedule III, IV and V controlled substances if such nurse has been delegated the authority under a collaborative practice agreement.

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

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Department of Economic Development -
 Division of Professional Registration
Department of Mental Health
Department of Health and Senior Services
Department of Social Services
Missouri Department of Transportation
Department of Public Safety -
 Missouri State Highway Patrol
Missouri Consolidated Health Care Plan
Department of Insurance
Missouri Department of Conservation



Mickey Wilson, CPA
Director
March 19, 2004