

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0635-01  
Bill No.: HB 311  
Subject: Economic Development Dept.; Health Care Professionals; Licenses -  
Professional; Physicians  
Type: Original  
Date: March 1, 2005

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Registered Surgical Assistants and Surgical Technologists	\$0	\$93,939	(\$51,354)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$93,939</b>	<b>(\$51,354)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials from the **Office of State Courts Administrator, Missouri Department of Transportation, Missouri Consolidated Health Care Plan, Department of Insurance, Missouri Department of Conservation, Office of State Public Defender, Office of State Treasurer and Office of Prosecution Services** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Health and Senior Services (DOH)** state the proposal would not be expected to fiscally impact the operations of the DOH. If an impact were to result, funds to support the program would be sought through the appropriations process.

Officials from the **Department of Corrections (DOC)** state the DOC cannot predict the number of new commitments which may result from the creation of the offenses(s) outlined in this proposal. An increase in commitment depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in operational cost through either incarceration (FY 04 average of \$38.37 per inmate per day or an annual cost of \$14,005 per

ASSUMPTION (continued)

inmate) or through supervision provided by the Board of Probation and Parole (FY 03 average of \$3.15 per offender, per day or an annual cost of \$1,150 per offender per year).

DOC assumes the narrow scope of the crime will not encompass a large number of offenders. The low felony status of the crime enhances the possibility of plea-bargaining or the imposition of a probation sentence. The probability also exists that offenders would be charged with a similar but more serious offence of that sentences may run concurrent to one another.

Supervision by the DOC through probation or incarceration would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials from the **Office of Secretary of State (SOS)** state the proposal provided for the registration of surgical assistants and surgical technologists. The State Board of Registration for the Healing Arts could promulgate rules to enact this legislation. Based on experience with other divisions, the rules, regulations and forms issued by the State Board for the Healing Arts could require as many as 10 pages in the Code of State Regulations. For any given rule, roughly one-half again as many pages are published in the Missouri Register as are published in the Code because of cost statements, fiscal notes and notices that are not published in the Code. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules, filed, amended, rescinded, and withdrawn. The SOS estimates the cost of the proposal to be \$615 [(10 pgs. X \$27) + (15 pgs. X \$23)] for FY 06.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials with the **Department of Economic Development–Division of Professional Registration (DED-PR)** estimate the proposal will result in the licensing of 1,500 technologists and 75 assistants. DED-PR assumes a biennial registration fee \$100. DED-PR estimates a 3% growth rate and assumes licensure begins in FY 2007, resulting in revenue to the Registered Surgical Assistants and Registered Surgical Technologists Fund of \$157,500 in FY 2007 and \$2,363 in FY 2008.

ASSUMPTION (continued)

DED-PR assumes all fees collected and all expenses would be deposited into and paid out of the Registered Surgical Assistants and Registered Surgical Technologist Fund. DED-PR notes expenses occurring prior to an appropriation (FY 2007) would be borrowed from another fund within Professional Registration and paid back in FY 2007 or FY 2008.

DED-PR assumes implementation of the proposal will require hiring an additional 1 FTE in FY 2007, as follows: 1 Licensure Technician II (\$26,292) to provide technical support to the Board of Registration for Healing Arts, process applications for licensure and respond to any inquiries related to the licensure law or rules & regulations. In addition, it has been estimated that the Registered Surgical Assistants and Registered Surgical Technologists Fund will pay at least 0.5% of the current principal assistant's annual salary. DED-PR assumes office space will be needed for the additional FTE at a cost of \$2,770 annually.

DED-PR assumes five (5) complaints would be received each year and would require, on average, five hours each to complete. DED-PR estimates all of these complaints will require field investigations, each needing 30 hours of field work and one night's lodging. Travel expenses for the investigations are estimated at \$1,275 annually. DED-PR assumes complaints and investigations would not start until FY 2008.

DED-PR assumes there will be a cost associated with needing the services of the Attorney General's Office (AGO). DED-PR estimates 50% of investigations (2) would be forwarded to the AGO for further action. Assuming \$5,400 cost per case, DED-PR estimates \$10,800 annually beginning in FY 2008. DED-PR also estimates the AGO would provide approximately 60 hours of assistance with rules, opinions and meetings per year. Assuming an hourly rate of \$60.87, these costs are estimated at \$3,652 annually.

DED-PR assumes printing and postage costs will be incurred in the first year for statute and rule mailings and for startup printing of rules, applications, letterhead and envelopes. DED-PR estimates printing and postage costs at \$6.25 per licensee in the first year, for a total cost of \$9,844. Subsequent years' printing and postage costs are expected continue at this amount. DED-PR assumes existing staff would design, program, and implement a computer licensure program; however, if costs are higher than anticipated, further monies will be required.

For fiscal note purposes only, **Oversight** assumes the following:

- 1) Annual postage and printing costs to average \$2,500 annually, based on previous proposals.
- 2) The 0.5% of the current principal assistant's annual salary could be absorbed and that accounting costs for the transfer would exceed the amount to be transferred.

ASSUMPTION (continued)

3) Rental space will not be required for one additional full time FTE.

4) **Oversight** has, for fiscal note purposes only, changed the starting salary for the requested DED-PR staff position 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.

4) Fees have been adjusted to reflect an amount needed to cover operations related to this proposal. Biennial fees of \$90 result in revenue of \$141,750 for the Registered Surgical Assistants and Technologists Fund for FY 07 and \$2,126 for the fund for FY 08. Sufficient fee income should be generated during each biennial fee cycle to cover expenses of operations during the second year of the cycle.

**This proposal would increase total state revenue.**

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
<b>REGISTERED SURGICAL ASSISTANTS AND TECHNOLOGISTS FUND</b>			
<u>Income - DED-PR</u>			
Licensure Fees/Renewals	\$0	\$141,750	\$2,126
<u>Costs - DED-PR</u>			
Personal Service (1 FTE)	\$0	(\$23,765)	(\$24,359)
Fringe Benefits	\$0	(\$10,138)	(\$10,392)
Expense and Equipment	\$0	(\$10,256)	(\$4,277)
AGO Costs	<u>\$0</u>	<u>(\$3,652)</u>	<u>(\$14,452)</u>
Total <u>Costs</u> - DED-PR	<u>\$0</u>	<u>(\$47,811)</u>	<u>(\$53,480)</u>
 <b>ESTIMATED NET EFFECT ON REGISTERED SURGICAL ASSISTANTS AND TECHNOLOGISTS FUND</b>			
	<u>\$0</u>	<u>\$93,939</u>	<u>(\$51,354)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses employing surgical assistants and surgical technologists could be affected by this proposal if they choose to pay the registration fees.

DESCRIPTION

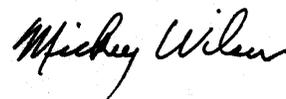
This proposal provides for the registration of surgical assistants and surgical technologists. The proposal: (1) Requires persons wishing to become registered surgical assistants to be certified by the National Surgical Assistant Association on the Certification of Surgical Assistants, Liaison Council on Certification for the Surgical Technologist, or the American Board of Surgical Assisting and those wishing to be registered surgical technologists to be certified by the Liaison Council on Certification for the Surgical Technologist; (2) Requires applicants to make application with the State Board of Registration for the Healing Arts; (3) Requires that no person practice or say that they are a registered surgical assistant or registered surgical technologist without being registered by the board; (4) Provides exemptions for certain health care professionals acting within the scope of their practice; (5) Establishes qualifications which must be met prior to applying for registration; (6) Specifies the requirements for registration renewal, fees, inactive status, registration refusal, revocation, and suspension; and (7) Creates the Registered Surgical Assistant and Registered Surgical Technologist Fund.

The proposal contains penalty provisions and will become effective July 1, 2006.

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 Economic Development -  
    Division of Professional Registration  
Department of Corrections  
Department of Health and Senior Services  
Missouri Department of Transportation  
Missouri Consolidated Health Care Plan  
Department of Insurance  
Missouri Department of Conservation  
Office of Prosecution Services  
Office of Secretary of State  
Office of State Public Defender  
Office of State Treasurer



Mickey Wilson, CPA  
Director  
March 1, 2005