

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4826-03
Bill No.: HCS for HB 1977 with SA 1 and SA 2
Subject: Emergencies; Licenses - Professional; Health Dept.
Type: Original
Date: May 3, 2010

Bill Summary: Includes emergency medical technician-intermediate in various provisions regarding licensure of emergency medical technicians.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	Unknown, could exceed \$100,000	Unknown, could exceed \$100,000	Unknown, could exceed \$100,000
Total Estimated Net Effect on General Revenue Fund	Unknown, could exceed \$100,000	Unknown, could exceed \$100,000	Unknown, could exceed \$100,000

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Senate Amendment 1 - §§ 190.108, 190.109, 190.131, 191.133, and 190.142

Officials from the **Department of Mental Health, Department of Revenue and Office of State Treasurer** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** state the legislation changes the laws regarding emergency services and emergency medical technicians - intermediate. In addition, the legislation allows the Department of Health and Senior Services to make rules concerning the amount of fees to be required for licensure and re-licensure for ambulance services. The proposed legislation will not affect the current rate of reimbursement to providers. In addition, it does not impact who is eligible for MO HealthNet or the services MO HealthNet provides. Therefore, there is no fiscal impact to the MHD.

Officials from the **Department of Health and Senior Services (DOH)** state Senate Amendment 1 would require the DOH to promulgate rules prescribing a fee structure for the licensure and re-licensure of air ambulances, ground ambulances, emergency medical response agencies, and all levels of emergency medical technicians, as well as for the certification and re-certification of training entities. All fees collected are to be deposited in the General Revenue (GR) Fund. The amount of fee revenue to be deposited into GR is unknown.

REVENUE

In 2005, SB 177 enacted Section 190.550.1, RSMo, which required the DOH to establish a schedule of fees to be paid for licensure or accreditation under Sections 190.001 to 190.250, RSMo, and sections 190.525 to 190.537, RSMo, except for persons employed by volunteer ambulance services. Section 190.550.2, RSMo, also enacted by SB 177, required that all fees collected be deposited in the Missouri Public Health Services (MPHS) Fund. Moneys in the fund, upon appropriation by the General Assembly, were to be used to implement the sections

ASSUMPTION (continued)

identified in the previous sentence. The Joint Committee on Administrative Rules (JCAR) did not approve the fee structure in the rules DOH proposed, so no fees have ever been collected and deposited in the MPHS Fund.

Based on the initial fee structure in the proposed rules printed in the Missouri Register on July 3, 2006, an estimate of the amount that might be collected and deposited in GR Fund is provided below:

All licensures/certifications are for a five-year time period. For computation purposes, current licensure numbers were used and the assumption was made that re-licensure would be evenly distributed over the five-year period.

Emergency Medical Technician-Basic (EMT-B): 12,465 EMT-B/ 5 year license = 2,493 licenses annually X \$25 licensure fee = \$62,325

Emergency Medical Technician-Intermediate (EMT-I): 0 EMT-I/ 5 year license = 0 licenses annually X \$50 licensure fee = \$0

Paramedics: 5,707 paramedics/5 year license = 1,143 licenses annually X \$75 licensure fee = \$85,725.

Ground Ambulances: The proposed fee schedule assessed a fee of \$0.05 per transport annually, based on the number of transports the previous calendar year, with a maximum fee of \$15,000 per year. There are currently 216 licensed ground ambulance services.

387,919 transports in calendar year 2009 X \$0.05 per transport = \$19,396

Air Ambulances: 10 air ambulances/5 year license = 2 licenses annually X \$2,500 licensure fee = \$5,000

Emergency Medical Response Agencies (EMRAs): The proposed fee schedule did not assess a fee for EMRAs.

36 EMRAs/5 year license = 7 licenses annually X \$0 licensure fee = \$0

Training Entities: The proposed fee schedule was broken down based on the type of classes offered. For computation purposes, DOH assumed each entity would be offering an EMT-B class.

266 training entities/5 year accreditation= 53 accreditations annually X \$250 accreditation fee = \$13,250.

ASSUMPTION (continued)

Total of all fees identified above: DOH estimates there could be \$185,696 worth of fees collected and deposited annually in the GR Fund if the fee structure is based on the initial fee schedule included in the proposed rule printed in the July 3, 2006 Missouri Register.

COSTS

Since the Bureau of Emergency Medical Services already processes the licensure paperwork related to all categories of licensure/accreditation, the DOH assumes there would be very limited additional processing costs if fees were imposed. The necessary rules will be developed and promulgated by existing staff. Costs are assumed to be zero.

Senate Amendment 2 - § 431.068 (Identical to SB 1035, LR# 5305.01)

Officials from the **Department of Mental Health, Department of Social Services, Department of Revenue and Office of State Treasurer** assume the proposal will have no fiscal impact on their organizations.

No officials from **Ambulance and Fire Protection Districts** responded to our request for a statement of fiscal impact.

Oversight assumes an unknown cost to ambulance and fire protection districts since the proposal would require the DOH to impose licensure and certification fees on air ambulances, ground ambulances, Emergency Medical Agencies, emergency medical technicians, and training entities that may be owned and operated by local governments.

<u>FISCAL IMPACT - State Government</u>	FY 2011	FY 2012	FY 2013
	(10 Mo.)		

GENERAL REVENUE FUND

Income - DOH

License, certification and renewal fees
 (SA #1)

<u>Unknown, could</u>	<u>Unknown, could</u>	<u>Unknown, could</u>
<u>exceed</u>	<u>exceed</u>	<u>exceed</u>
<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>

**ESTIMATED NET EFFECT ON
 GENERAL REVENUE FUND**

<u><u>Unknown,</u></u>	<u><u>Unknown,</u></u>	<u><u>Unknown,</u></u>
<u><u>could exceed</u></u>	<u><u>could exceed</u></u>	<u><u>could exceed</u></u>
<u><u>\$100,000</u></u>	<u><u>\$100,000</u></u>	<u><u>\$100,000</u></u>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
LOCAL GOVERNMENTS			
<u>Costs - Ambulance and Fire Protection Districts</u>			
License, certification and renewal fees (SA #1)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

The proposal would impose a fee on small business emergency services companies and personnel who have not previously been required to pay any licensure and certification fees.

FISCAL DESCRIPTION

Senate Amendment #1

The Department of Health and Senior Services is required to promulgate rules imposing licensure and certification fees on air ambulances, ground ambulances, Emergency Medical Response Agencies, emergency medical technicians, and training entities. The Department of Health and Senior Services would collect the fees and deposit them in the General Revenue Fund.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Mental Health
Department of Health and Senior Services
Department of Revenue
Department of Social Services
Office of State Treasurer
Office of Secretary of State

**NOT RESPONDING: Central County Fire and Rescue, St. Charles County Ambulance,
Taney County Ambulance, and Valle Ambulance District**



Mickey Wilson, CPA
Director
May 3, 2010